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REPORT

OF THE

BOMBAY CHAMBER OF COMMERCE

FOR THE

YEAR 1874-75.

PRESENTED TO THE ANNUAL GENERAL MEETING
HELD ON THE 19TH OCTOBER 1875.

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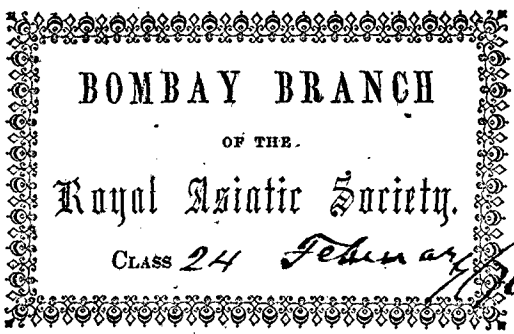

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REPORT

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FOR THE

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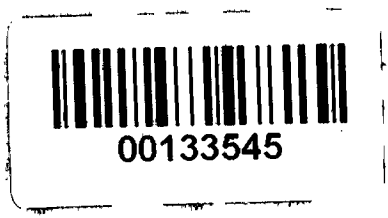

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Bombay Chamber of Commerce.

ESTABLISHED 22nd SEPTEMBER 1836.

List of Members.

Messrs. ALDRIDGE, SALMON & Co.
" BATES (EDWARD) & Co.
" BELL, BRANDENBURG & Co.
" CAMPBELL, MITCHELL & Co.
" CLASON (H.) & Co.
" EWART, LATHAM & Co.
" FINLAY, MUIR & Co.
" FINLAY, SCOTT & Co.
" FORBES & Co.
" FRAMJEE, SANDS & Co.
" GADDUM & Co.
" GRAHAM (W. & A.) & Co.
" GREAVES, COTTON & Co.
" KILLICK, NIXON & Co.
" KNOOP & Co.
" KUNKLER (ALBERT) & Co.
" LOCKHART (GEORGE) & Co.
" LYON & Co.
" MACDONALD (C.) & Co.
" NICOL (W.) & Co.
" PEEL, CASSELS & Co.
" RALLI BROTHERS.
" RITCHIE, STEUART & Co.

Messrs. SASSOON (D.) & Co.
" SIEGFRIED (JULES) & Co.
" SOUTHERN (R. L.) & Co.
" STEARNS, HOBART & Co.
" VOLKART BROTHERS.
" WALLACE & Co.
" WATSON, BOGLE & Co.

THE AUSTRO HUNGARIAN LLOYD'S S.N. COMPANY.
THE AGRA BANK, LIMITED.
THE CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.
THE CHARTERED MERCANTILE BANK OF INDIA, LONDON, AND CHINA.
THE COMPTOIR D'ESCOMPTE DE PARIS.
THE HONGKONG AND SHANGHAI BANKING CORPORATION.
THE LONDON, ASIATIC, AND AMERICAN COMPANY, LIMITED.
THE NATIONAL BANK OF INDIA.
THE ORIENTAL BANK CORPORATION.
THE P. & O. S. N. COMPANY.

RETIRING COMMITTEE.

Mr. DAVID WATSON, *Chairman.*
" J. A. FORBES, *Deputy Chairman.*

Mr. C. E. BENN
" W. S. D. BLACKHALL
" ROBERT EWING
" A. PRIER DESOANE
" L. H. BIRCH
} *Members.*

COMMITTEE FOR 1875-76.

Mr. J. A. FORBES, *Chairman.*
CAPTAIN G. F. HENRY, *Deputy Chairman.*

Hon'ble DONALD GRAHAM
Mr. ROBERT EWING
" A. PRIER DE SOANE
" J. Y. LANG
" G. E. NOBLE
} *Members.*

JOHN GORDON, *Secretary.*
MUCKONDROW BHAWOO, *Head Clerk.*

RULES AND REGULATIONS

OF THE

Bombay Chamber of Commerce.

Revised and adopted at a General Meeting held on 1st December, 1864.

I. THAT the object and duties of the Chamber shall be to encourage a friendly feeling and unanimity among commercial men on all subjects involving their common good; to promote and protect the general mercantile interests of this Presidency; to collect and classify information on all matters of general commercial interest; to obtain the removal, as far as such a Society can, of all acknowledged grievances affecting merchants as a body, or mercantile interests in general; to receive and decide references on matters of usage and custom in dispute, recording such decisions for future guidance, and by this and other means assisting to form a code of practice for simplifying and facilitating business; to communicate with the public authorities, with similar Associations in other places, and with individuals on all subjects of general mercantile interest; and to arbitrate between parties willing to refer to, and abide by, the judgment of the Chamber.

II. That all persons engaged or interested in mercantile pursuits desirous of joining the Chamber, and disposed to aid in carrying into effect the objects of the same, shall be admitted Members by the vote of a majority of not less than two-thirds of those voting at a General Meeting, as provided for in Rule III.

III. That one-fourth of the firms constituting the Chamber shall be held sufficient to form any General Meeting when the same has

been regularly called together—one partner representing a firm; but two or more partners of one firm being present only to count as one Member of the Chamber. That seven clear days' notice shall be given before any resolution proposing changes in the Rules of the Chamber be brought forward, and that such notice be given in writing to the Secretary, who shall circulate it for the information of the members of the Chamber.

IV. That the Chamber reserves to itself the right of expulsion in case of need, to be decided at a General Meeting by a majority of three-fourths of the Members present at such General Meeting duly convened.

V. The subscription of each firm or Member of the Chamber shall be Rs. 25 per month.*

VI. That the affairs and funds of the Association be managed by a Committee of seven Members, consisting of the Chairman and Deputy Chairman of the Chamber and five Members, who shall be elected annually at a General Meeting of the Chamber in the month of September, and shall remain in office for one year, but be re-eligible on expiration of office. The Chairman and Deputy Chairman, as the case may be, to be *ex-officio* Chairman of the Committee, and in their absence the Committee to elect their own Chairman. Three to be a quorum. In the event of any Member of the Committee resigning or declining to serve, the remaining Members of the Committee shall fill up the vacancy.

VII. The Chairman, Deputy Chairman, and Members of Committee for election, must be proposed at least seven days before the General Meeting to be convened for the purpose of elections, and their names be published in the rooms of the Chamber for that period, and by circular. No two Members of one firm shall be on the Committee at the same time.

VIII. That all questions before the Committee shall be decided by a majority, the Chairman having a second or casting vote in case of an equality of voters.

IX. That the Committee shall meet on Friday, or on such other day as may be found by them most convenient, of every week, to receive and dispose of all communications and references, and to take under their consideration generally all matters embraced in the objects of the Chamber; and that their proceedings be laid on the table for the inspection of all Members, subject to such regulations as they may make.

* *Subscription.*—The following resolution was adopted at a Meeting of the Chamber on April 11th, 1870:—"That the subscription to the Chamber be reduced from Rs. 25 to Rs. 20, and that the charge for a copy of each of the publications to Members be Rs. 15 per mensem."

X. That General Meetings of the Chamber be held quarterly for the purpose of discussing any measures of public interest which may arise, and that in the interval between the Meetings the Committee of the Chamber be intrusted with the selection of subjects for discussion at those meetings, and give notice of the same to the Members beforehand. That a Special General Meeting shall be called by the Chairman, or by his order, seven days after the receipt of a requisition from any three firms, Members of the Chamber; but that a majority of firms, represented by one or more Members from each firm, being Members of the Chamber, be required to constitute such General Meeting, and that the Annual General Meeting shall be held in the month of September, on such day as the Committee for the time being shall direct, such meeting to be convened on a seven days' notice. That all General Meetings of the Chamber shall be advertised in the newspapers.

XI. That the Committee be authorised to provide suitable accommodation for the meeting of the Chamber, to pay all expenses of the establishment, and to control generally the management of the affairs of the Chamber.

XII. That all moneys or funds of the Chamber, as received, be paid into the hands of the Treasurer or Treasurers for the time being, and that the same be available by cheques signed by the Chairman, or in his absence by the Acting Chairman for the time being, and by one other Member of the Committee.

XIII. That a Secretary be appointed by a majority of Members in such way as the Committee for the time being may point out; that it shall be the duty of such Secretary to keep the records and accounts of the Chamber, to collect subscriptions, handing the same over to the Treasurer, to conduct correspondence, and to act generally under the directions of the Committee.

XIV. That all the proceedings of the Committee be subject to approval or otherwise of General Meetings duly convened.

XV. That any stranger engaged or interested in mercantile pursuits visiting the Presidency may be introduced as a visitor by any Member of the Chamber inserting his name in a book to be kept for the purpose, but that a residence of two months shall subject him to the rule for the admission of Members.

XVI. *Honorary Members.*—Gentlemen distinguished for public services, or eminent in commerce and manufactures, may be elected Honorary Members of the Chamber, and as such shall be exempted from paying subscriptions.

XVII. That an annual report of the proceedings be made, and copies sent to the similar Associations in India, China, and elsewhere.

XVIII. That the foregoing Rules be added to, or altered, only by a majority of Members of the Chamber.

XIX. That the firms whose signatures are attached be considered as acknowledging the "Bombay Chamber of Commerce" as now constituted, to represent their public and united interests.

XX. That the foregoing Rules be copied into a book, to be kept with the records of the Chamber, and be signed by all the Members, and that copies be printed and delivered to each firm.

SHIP TONNAGE SCALE AT BOMBAY.

At a General Meeting of Merchants held in the Offices of the Chamber of Commerce, Bombay, on the 6th of June 1856, convened by Circular under the direction of the Committee of the Chamber, William Forsyth Hunter, Esq., Chairman of the Chamber, in the chair, it was proposed by Henry Scott, Esq., of Messrs Finlay, Scott & Co., seconded by John Campbell, Esq., of Messrs. Campbell, Mitchell & Co., and unanimously carried,—"That from and after the 1st of January 1857 the following amended Scale be taken to regulate the Trade from Bombay and the Malabar Coast to the United Kingdom, in the absence of special agreement to the contrary":—

Articles.	To the Ton.
Aloes, in kegs	16 cwt.
Alum, in bags	20 ,,
Annato, in cases	50 feet.
Apparel	50 ,,
Arrowroot, in cases	50 ,,
Assafœtida, in cases	50 ,,
Barilla	20 cwt.
Bees' Wax, in cases	50 feet.
Betelnut, in bags	16 cwt.
Blackwood, in straight square logs	50 feet.
Do. otherwise	20 cwt.
Books	50 feet.
Borax, in cases	50 ,,
Do. in bags	20 cwt.
Bullion	per cent.
Camphor, in cases	50 feet.
Canes, Rattans, in bundles	16 cwt.
Cardamoms, in bundles	50 feet.
Cassia Lignea, Fistula, and Buds	50 ,,
Chasum	10 cwt.
China Root, in cases	50 feet.
Cigars	50 ,,
Cinnamon, in bales	6 cwt.
Do. in cases	50 feet.
Cloves, in cases	50 ,,

ARTICLES—(*Continued.*)	To the Ton.
Cloves, in bags or frazils...	10 cwt.
Coals...	20 ,,
Cocoa, in bags	12 ,,
Coculus Indicus, in bags...	16 ,,
Coffee, in cases	50 feet.
Do. in bags or frazils...	16 cwt.
Coir, in bales	50 feet.
Do. in bundles or loose...	6 cwt.
Do. Rope, in coils	8 ,,
Colocynth, in cases	50 feet.
Colombo Root, in bags	14 cwt.
Copra, in robins	12 ,,
Do. in bags	12 ,,
Coral, Rough (not specimen), in bags	20 ,,
Cotton, in bales	50 feet.
Cowries, in cases	50 ,,
Do. in bags	20 cwt.
Cubebs	12 ,,
Cummin Seed, in cases	50 feet.
Cutch or Terra Japonica, in bags or baskets, unscrewed.	16 cwt.
Dates, wet	20 ,,
Do. dry	16 ,,
Dragon's Blood, in cases	50 feet.
Ebony, square and straight	50 ,,
Do. otherwise	20 cwt.
Elephants' Teeth, in cases	50 feet.
Do. in bundles	18 cwt.
Do. loose	20 ,,
Furniture	50 feet.
Galingals	12 cwt.
Galls, in bags	16 ,,
Do. in cases	50 feet.
Ginger, dry, in cases	50 ,,
Do. in bags	12 cwt.
Gram	20 ,,
Ground Nuts, shelled	16 ,,
Gums, of all kinds, in cases	50 feet.
Gum Olibanum, in bags	16 cwt.
Hurtall, in cases	50 feet.
Hemp, in screwed bales	50 ,,
Do. loose or in bundles	7 cwt.
Hides and Skins, in screwed bales	50 feet.
Hides and Skins, loose and in small bundles... ...	12 cwt.
Horns, Buffalo and Cow, loose	16 ,,
Horns, Deer, loose	8 ,,
Horn Tips, of any kind	16 ,,
Indigo, in cases	50 feet.
Jackwood	50 ,,
Lac Dye, in shells or cases	50 ,,
Linseed, in bags	18 cwt.

ARTICLES—(*Continued.*)	To the Ton.
Mace, in cases	50 feet.
Mother-o'-Pearl, in cases	50 ,,
Do. in bags	20 cwt.
Munjeet or Madder Root, in cases or bales	50 feet.
Do. in bundles or bags	12 cwt.
Musk, in cases	50 feet.
Myrabolams, in bags	16 cwt.
Nutmegs, in cases	50 feet.
Nux Vomica, in cases	50 ,,
Do. in bags	16 cwt.
Oil, of any kind, in casks	210 Im.gals.
Oil Seeds—Teel, Rape, Mustard, Khorassan, and Castor	17 cwt.
Opium	per chest.
Paddy, in bags	16 cwt.
Pepper, in bags	16 ,,
Pimento	14 ,,
Plumbago, in bags	20 ,,
Rattans, in bundles	*16* ,,
Do. Ground	*16* ,,
Red Wood	*16* ,,
Rhubarb, in cases	*50 feet.*
Rice, in bags	*20 cwt.*
Safflower, in cases	*50 feet.*
Do. in screwed bales	50 ,,
Do. in bags	10 cwt.
Sago, in cases	50 feet.
Sal Ammoniac, in cases	50 ,,
Do. in bags	18 cwt.
Saltpetre	20 ,,
Sandal and Sapan Wood	16 ,,
Sealing Wax, in cases	50 feet.
Senna, in bags	6 cwt.
Do. in bales	50 feet.
Shells, Rough, in bags	20 cwt.
Silk, in bales	10 ,,
Do. in cases	50 feet.
Soap, in cases	50 ,,
Sugar, in bags	20 cwt.
Talc	20 ,,
Tallow	50 feet.
Tamarinds	18 cwt.
Tea, in chests	50 feet.
Timber, Teak: Square Planks and Poon	50 ,,
Do. Round, one-fifth off.	
Tobacco, in bales	50 ,,
Tortoise Shells, in chests	50 ,,
Turmeric, in bags	13 cwt.
Tutenague	20 ,,
Unrated Wood	14 ,,
Whanghees (*vide* Canes)	16 ,,

ARTICLES—(*Continued.*)	To the Ton.
Wheat	20 cwt.
Wines and Spirits, in casks	50 feet.
Do. in cases	50 ,,
Wool, in screwed bales	50 ,,
Zedory	20 cwt.

*** The Standard Ton at Bombay for Measurement Goods shall be taken at 50 cubic feet.

Proposed by James Fleming, Esq., of Messrs. W. Nicol & Co., and seconded by William Trevor Roper, Esq., of Messrs. Lawrence & Co., and carried unanimously,—"That the Freight on Oil be paid on the full gauge of the cask, ascertained at the port of discharge."

Proposed by Thomas Stock Cowie, Esq., of Messrs. Remington & Co., and seconded by John Parsons, Esq., of Messrs. Cardwell, Parsons & Co., and carried unanimously,—"That when Freight is payable on weight, the same is to be on the Nett Weight delivered."

(Signed) W. F. HUNTER,
Chairman.

STEAMER TONNAGE SCALE.

At the Annual General Meeting of the Members of the Bombay Chamber of Commerce, held on Tuesday, 8th October, 1872, it was proposed by G. A. Kittredge, Esq., of Messrs. Stearns, Hobart & Co., seconded by Thomas Wilson, Esq., of Messrs. Antrobus & Co., and carried unanimously,—That the subjoined scale and the accompanying Rules be taken to regulate the steamer trade from Bombay and the Malabar Coast to the United Kingdom and the Continental Ports in Europe, in the absence of special agreement to the contrary:—

1. That the Tonnage Scale for steamers shall be on the basis of 40 cubic feet and 16 cwt. dead weight to the ton.
2. That Hides and Skins, whether in bales or bundles, be taken by measurement and not by weight.
3. That Oil be taken on the outside measurement of the cask.
4. That when Freight is payable on weight, the same is to be on the nett weight delivered.
5. That these Rules and the subjoined Scale come into force for steamers from this date—Tuesday, 8th October, 1872.

Articles.	To the Ton.
Aloes, in kegs	... 40 feet.
Alum, in bags	... 16 cwt.
Annato, in cases	... 40 feet.
Apparel	... do.

ARTICLES (continued.)	To the Ton.
Arrowroot, in cases	40 feet.
Assafœtida, in cases	do.
Barilla	16 cwt.
Bees' Wax, in cases	40 feet.
Betelnut, in bags	13 cwt.
Blackwood, in straight square logs	40 feet.
Do. otherwise	16 cwt.
Books	40 feet.
Borax, in cases	do.
Do. in bags	16 cwt.
Bullion	per cent.
Camphor, in cases	40 feet.
Canes, Rattans, in bundles	13 cwt.
Cardamoms, in bundles	40 feet.
Cassia, Lignea, Fistula, and Buds	do.
Chassum	8 cwt.
China Root, in cases	40 feet.
Cigars	do.
Cinnamon, in cases	do.
Cloves, in cases	do.
Do. in bags or frazil	8 cwt.
Cocoa, in bags	10 do.
Coculus Indicus, in bags	13 do.
Coffee, in cases	40 feet.
Do. in bags or frazils	12 cwt.
Coir, in bales	40 feet.
Do. in bundles or loose	5 cwt.
Do. Rope, in coils	40 feet.
Colocynth, in cases	do.
Colombo Root, in bags	8 cwt.
Copra, in robins	8 do.
Coral, Rough (not Specimens), in bags.	16 do.
Cotton, in bales	40 feet.
Cowries, in cases	do.
Cowries, in bags	16 cwt.
Cubebs	10 do.
Cummin Seed, in cases	40 feet.
Cutch or Terra Japonica, in bags or baskets, unscrewed	13 cwt.
Dates, wet	16 do.
Do. dry	13 do.
Dragon's Blood, in cases	40 feet.
Ebony, square and straight	do.
Do. otherwise	16 cwt.

ARTICLES (continued.)	To the Ton.
Elephants' Teeth, in cases	40 feet.
Do. in bundles	14 cwt.
Do. loose	16 do.
Furniture	40 feet.
Galingals	10 cwt.
Galls, in bags	13 do.
Do. in cases	40 feet.
Ginger, dry, in cases	do.
Do. in bags	10 cwt.
Gram	15 do.
Ground Nuts, shelled	13 do.
Gums, of all kinds, in cases	40 feet.
Gum Olibanum, in bags	13 cwt.
Hurtall, in cases	40 feet.
Hemp, in screwed bales	do.
Do. loose or in bundles	5 cwt.
Hides and Skins, in screwed bales	40 feet.
Do. loose and in small bundles	do.
Horns, Buffalo and Cow, loose	13 cwt.
Do. Deer, loose	6 do.
Horn Tips, of any kind	13 do.
Indigo, in cases	40 feet.
Jackwood	do.
Lac Dye, in shells or cases	do.
Linseed, in bags	16 cwt.
Mace, in cases	40 feet.
Mother-o'-Pearl, in cases	do.
Do. in bags	16 cwt.
Munjeet or Madder Root, in cases or bales	40 feet.
Do. in bundles or bags	8 cwt.
Musk, in cases	40 feet.
Myrabolams, in bags	13 cwt.
Nutmegs, in cases	40 feet.
Nux Vomica, in cases	do.
Do. in bags	13 cwt.
Oil, of any kind, in casks	40 feet.
Oil Seeds, Teel, Rape, Mustard, Gingelly, and Castor	14 cwt.
Opium	per chest.
Paddy, in bags	13 cwt.
Pepper, in bags	13 do.
Pimento	12 do.
Plumbago, in bags	16 do.
Rattans, in bundles	13 do.

ARTICLES (continued.)	To the Ton.
Rattans, Ground	... 13 cwt.
Red Wood	... do.
Rhubarb, in cases	... 40 feet.
Rice, in bags	... 16 cwt.
Safflower, in cases	... 40 feet.
Do. in screwed bales	... do.
Do. in bags	... 8 cwt.
Sago, in cases	... 40 feet.
Sal Ammoniac, in cases	... do.
Do. in bags	... 15 cwt.
Saltpetre	... 16 do.
Sandal and Sapan Wood	... 11 do.
Sealing-Wax, in cases	... 40 feet.
Senna, in bags	... 5 cwt.
Do. in bales	... 40 feet.
Shell, Rough, in bags	... 16 cwt.
Silk, in bales	... 8 cwt.
Do. in cases	... 40 feet.
Soap, in cases	... do.
Sugar, in bags	... 16 cwt.
Talc	... do.
Tallow	... 40 feet.
Tamarinds	... 15 cwt.
Tea, in chests	... 40 feet.
Timber, Teak, Square Planks and Poon	... ... do.
Do. Round, one-fifth off.	
Tobacco, in bales	... 40 feet.
Tortoise Shells, in chests	... do.
Turmeric, in bags	... 11 cwt.
Tutenague	... 16 do.
Unrated Wood	... 11 do.
Whangees (*vide* Canes)...	... 13 do.
Wheat	... 16 do.
Wines and Spirits, in casks	... 40 feet.
Do. do. in cases	... do.
Wool, in screwed bales...	... do.
Zedoary	... 16 cwt.

LIST OF LANDING CHARGES

Sanctioned by the Bombay Chamber of Commerce, at the Annual General Meeting of the Members held on Tuesday, 8th October 1872.

[These rates are understood to cover landing, cranage, and delivery on the bunder, but not Bunder Fees.]

	Rs.	a.	p.
Piece Goods from Europe, per bale or case	0	5	0
Spirits, Wine and Beer, per doz. quarts or 2 doz. pints ...	0	1	0
Oilman's Stores, (large cases)	0	3	0
Do. (small cases)	0	1	0
Copper and Yellow Metal per ton	2	0	0
Iron, (loose and in bundles)	1	8	0
Steel, (in kegs and loose)	1	8	0
Tin, Lead, and Spelter, per ton	1	8	0
Coal, per ton	1	0	0
Rice, per bag (not exceeding 1½ cwt.)	0	1	0
Sugar, do. do. do.	0	1	3
Paint (in oil), per ton	2	8	0
Gunny bags, (in bales)	0	7	0
Do. bundles, (bundle of 50)...	0	1	0
Crockery, (in casks or crates)	1	0	0
Wine and other Liquors, (in hogsheads)	0	10	0
Wine, (quarter casks)	0	5	0
Machinery in pieces, under a ton	1	12	0
Assafœtida, (in bags)	0	6	0
Beer and Porter, (in hogsheads)	0	8	0
Arrowroot, (in moras) per 1½ cwt.	0	2	0
Do. (in cases) per 1 cwt.	0	2	0
Almonds, per bag	0	1	0
Brassware, per ton	2	0	0
Beads, (in cases)	0	5	0
Brass leaves, do.	0	2	0
Borax do.	0	7	0
Boots do.	0	5	0
Books, (ordinary cases)	0	5	0
Coffee, (in bags) not exceeding 1½ cwt.	0	1	3
Do. (in casks and cases) per ton	1	8	0
Copra, (in bags)	0	1	0
Do. (in robins)	0	2	0
Chillies, (in bags)	0	1	0
Cocoanuts, (in bundles)	0	2	0
Cotton, (in docras half-pressed and full-pressed bales)	0	5	0
Cardamoms, (in bags)	0	2	0
Do. (in cases 2 cwt.)	0	6	0
Cheroots, (in cases of 10,000)	0	8	0
Coir, (in bundles of cwt.)	0	1	0
Carpets, ...	0	7	0
Camphor, (in cases)	0	4	0
Do. (in tubs)	0	1	6

	Rs.	a.	p.
Crackers, ...	0	4	0
Cassia, (in cases)	0	3	0
Canvas, (in bales)	0	5	0
Cashew-nuts, (in bags)	0	2	0
Dry Dates, (in mats or bags) per cwt....	0	1	0
Wet do. (do. do.) do.	0	1	0
Drugs, (in bags or cases)	0	5	0
Elephant Tusks, (in bundles)	0	6	0
Do. (pieces)	0	2	0
Dried Fruit, (in bags, &c.), per cwt.	0	1	0
Sharkfins and fishmaws, (in bags)	0	4	0
Dried Ginger, (in cases or bags)	0	3	0
Grain of all sorts, per bag	0	1	0
Ghee, per dubba	0	4	0
Gums, (in bags) per cwt...	0	1	0
Ground-nuts, (in bags)	0	1	0
Hides, (in pressed bales) per cwt.	0	1	0
Indigo, (in cases)...	0	6	0
Jaghery, (in bags)	0	1	0
Jute, (in bales)	0	5	0
Shell Lac, (in cases)	0	4	0
Mace, (in cases)	0	3	0
Mats, of sorts, per cwt.	0	1	0
Medicine, (in cases)	0	5	0
Nuts of sorts, (in bags) per cwt...	0	1	0
Nutmegs, (in bags or cases) per cwt.	0	1	0
Oils, (in casks) per ton	2	0	0
Oil Kerosine, (in cases)	0	1	0
Pianos	5	0	0
Pepper, (in bags) per cwt.	0	1	0
Paper, (in bales or cases)	0	5	0
Do. China do.	0	3	0
Rope, per ton	2	0	0
Vermilion, (in cases)	0	4	0
Saffron, do.	0	5	0
Shells, (Mother-o'Pearl) (in bags), per cwt.	0	1	0
Seeds, (other sorts) do. do.	0	1	0
Safflower, (in bags)	0	2	0
Silk, China, (in bales)	0	6	0
Do. Pieces, (in cases)	0	6	0
Saltpetre, (in bags) per cwt.	0	1	0
Goat Skins, (in bales or bundles) per cwt.	0	1	0
Spices, (other sort) (in bags or cases), per cwt.	0	1	0
Turmeric, (in bags) per bag	0	1	0
Tea, (half chests)	0	1	0
Do. (whole do.)	0	2	0
Tobacco, (in small cases)	0	3	0
Do. (in longer)	0	4	0
Tallow (in casks)	0	5	0
Umbrellas, (in cases)	0	5	0
Carriages	8	0	0

RULES AND REGULATIONS

For the Measurement by Callipers upon Exports from Bombay of Cotton, Wool, Hemp, and other Pressed Bales, as revised and adopted by the Chamber of Commerce, at a Special General Meeting held on Wednesday, the 2nd November 1870.

I. THAT Callipers shall from time to time be submitted to the Secretary of the Chamber of Commerce, and, if found correct, shall be branded with a stamp bearing the name of the Chamber, to indicate the same.

II. That if, from use or otherwise, any Calliper should get out of order and be objected to, the party objecting shall send the Callipers to the Chamber for examination, and should the objection be valid, the Chamber stamp shall be defaced by the Secretary. If, however, the objection is found to be groundless, the Secretary shall give a note to that effect, and the party objecting shall be bound by his decision.

III. That any Callipers found incorrect, and on which the stamp has been defaced, may be re-stamped after adjustment.

IV. That no measurements shall be held good except such as are taken by Callipers bearing the Chamber's stamp.

V. That public Measurers shall be appointed under the authority of the Chamber of Commerce, and stationed at the different Bunders, to measure pressed bales of Cotton, Wool, Hemp, and other merchandise.

VI. That a Fee, the amount of which shall in no case exceed half an anna per bale, but which may be regulated by the Chamber from time to time in order to meet the expenses of the necessary establishment, shall be levied on all bales measured by the duly appointed Measurers.

VII. That no bales be measured without the production of the Custom House Pass bearing the endorsement of the Measurement Fee Clerk, to the effect that the Fee has been paid.

VIII. That the Measurers shall measure not less than five bales in every hundred, ascertaining the length of the bale and the greatest width and depth over the lashings, and as near the centre of the bale as possible, but not over the knots.

IX. That the Measurer shall give a Certificate of Measurement, which must accompany the bales to the ship or steamer, and shall furnish the Shipper with a copy thereof. This Certificate, which shall be retained by the ship, shall state—

The date and hour of measurement,	The name of the ship or steamer,
The number of the boat,	The number of bales,
The name of the tindal,	The marks of the bales,
The name of the shipper,	The measurement.

X. That the Shipper shall, if required, in writing, give the Agent of the ship or steamer notice in writing, of the time when, and the name of the Bunder on which his bales will be measured, in order that the ship or steamer may be represented.

XI. That the bales shall be alongside the ship or steamer within 36 hours after measurement, weather permitting, or the Certificate shall be void, and the bales shall be re-measured on board, written notice however in such case being given to the shipper, so that he may have the option of attending.

XII. That the salaries of the Measurers, and all other expenses connected with this scheme of measurement, be paid by the Chamber from the Fee Fund raised under these Rules.

XIII. That a Special Committee of two Members of the Chamber be appointed by the General Committee, into whose charge shall be placed all matters pertaining to the measurement of Cotton, as defined above, including the appointment of the Measurers, the fixing of their salaries, the payment of the same, and the doing of all things necessary for a proper and economical working of the scheme. That in case of any difference between the two Members of the Committee, the matter in question shall be decided by the General Committee of the Chamber.

The following Rules which came into force from 18th August 1875, were adopted by the Chamber at the Annual General Meeting held on the 19th October 1875 :—

XIV. No refund of measurement fees will be allowed for sums under one Rupee.

XV. No claim for refund will be allowed, unless presented within one month from the date of vessel's departure.

GENERAL RATES OF COMMISSION.

Table of General Rates of Commission chargeable in Bombay, as revised by the Chamber of Commerce, and confirmed at a General Meeting held on the 11th February 1843.

		Per Cent.
1.	On procuring freight ... ... Brokerage, when actually incurred, shall be considered a legitimate charge in ship's accounts.	5
2.	On collecting freight	2½
3.	On tendering a vessel (if accepted) for the conveyance of troops ; on the amount of the charter party ...	5
4.	On shipping goods of every description on which no commission for the purchase has been charged ...	2½
5.	On shipping treasure, bullion, and jewellery ...	1
6.	On ship's disbursements when in funds...	1
7.	On ship's disbursements when not in funds... ...	2½
8.	On account of passage-money, whether the same passes through the Agent's hands or not	2½
9.	On effecting insurance	½
10.	On settling insurance losses, whether partial or total, also on procuring return of premium, exclusive of commission on receipt of cash...	2½
11.	On the sale or purchase of goods of all denominations (except as under)	5
12.	On purchases of all kinds with the proceeds of goods sold, and on which a commission of 5 per cent. has been previously charged	2½
13.	On the sale or purchase of ships, houses, and lands, of opium, and of diamonds, pearls, and jewellery of all descriptions	2½
14.	On the sale or purchase of treasure or bullion ...	1
15.	On the sale or purchase of cattle	5½
16.	On goods consigned which are disposed of by outcry or sent to a shop, on net proceeds	5

		Per Cent.
17.	On goods consigned and afterwards withdrawn, invoice cost	2½
18.	On guaranteeing the responsibility of persons to whom goods are sold on the amount of sale ...	2½
19.	On attending the delivery of contract goods to the Company or individuals	2½
20.	On collecting house rent	2½
21.	On sale or purchase of private Bills of Exchange ..	1
22.	On effecting remittances by Bills of Exchange ...	1
23.	On taking up at interest bills from the Company exclusive of one per cent. on remitting	1
24.	On exchanging Company's securities of all descriptions, or investing money therein, and on transferring Government paper from one constituent to another	½
25.	On surrendering or depositing in the Treasury Company's securities of all descriptions	½
26.	On procuring money on respondentia or on loan ...	2
27.	On recovering of bonds, or of bills for absentees, overdue at the time of their being placed in the possession of the Agent	2
28.	On debts when a process at law by arbitration is necessary	2½
29.	On debts when recovered by such means	5
30.	On managing the affairs of the estate for an executor or administrator...	5
31.	On recovering funds from a bankrupt estate	2½
32.	On guaranteeing bills, bonds, or debts in general, by endorsement or otherwise...	2½
33.	On bills of exchange returned noted or protested ...	1
34.	On granting and cashing letters of credit	2½
35.	On becoming security to Government or public bodies in any case	2½
36.	On depositing Government paper as security for constituents	1
37.	On receipt or payment, at the option of the Agent, of all moneys not arising from proceeds of goods on which commission has been previously charged ...	1
38.	In cases where the debtor side of the account exceeds the creditor side, including the balance of interest, commission to be charged at the rate of	1

NATIVE CONSIGNMENTS.—By a Resolution of the Chamber passed unanimously on the 29th of March 1866, it was ruled "that the recognised rate of commission in England on the sale of consignments from Bombay taken after this date be 3½ per cent., exclusive of brokerage and guarantee, and that the same be added to the Scale of Commissions sanctioned by the Chamber."

At a Special General Meeting of the members of the Chamber of Commerce held on 30th April 1868, it was unanimously resolved that the following rates for ships' commissions be added to the general list of commissions approved by the Chamber :—

For executing orders to Charter or engage Tonnage in Bombay or at outports ... ...2½ per cent.

On realising Bottomry Bonds or negotiating any loan on *respondentia* ... ...2½ per cent.

On landing and re-shipping goods from any vessel in distress, stranded, or wrecked, or on landing or selling by auction damaged goods from any such vessel, and acting as agent for the Master on behalf of all concerned, on the declared value of all such goods as may be reshipped, and on net proceeds of all such goods as may be publicly sold ... ...5 per cent.

If Opium, Indigo, Raw Silk or Silk Goods ... ...2½ per cent.

If Treasure, Precious Stones, or Jewellery ... .. 1 per cent.

On moneys expended, *i.e.*, on all disbursements made in efforts to save Ship or Cargo ... ...5 per cent.

On Ships leaving the Port in ballast which have been consigned inward free of commission, 6 annas per ton upon the English tonnage.

On Ships leaving the Port in ballast which have been consigned inwards and outwards, 12 annas per ton upon the English tonnage.

SHIP FREIGHT INWARDS.

It is hereby notified that, at a Special General Meeting of the Members of the Chamber of Commerce held on Wednesday, 22nd March, it was unanimously resolved that the Agreement of 1858, and as subsequently revised in 1868, regarding the payment of Inward Freight, be cancelled, and that, in future, payment should be regulated in conformity with the following Resolutions:—

I.—"That the payment of Inward Freight, when stated simply in sterling, shall be made at the rate of 2*s*. per Rupee."

II.—"That the payment of Inward Freight, when stated to be payable in sterling at the current rate of Exchange, shall be made at the current rate of First-class Credit Bills at 6 months' sight on London."

By order of the

Committee of Management,

JAMES TAYLOR,

Secretary.

Bombay Chamber of Commerce,

15*th April*, 1871.

GENERAL MEETINGS IN 1874-75.

—:o:—

A PUBLIC MEETING of the Members of the Mercantile Community, European and Native, was held in the rooms of the Chamber of Commerce on Wednesday the 9th December 1874, to discuss the questions of the Railway Carting arrangements, terminal charges, and station accommodation.

Present :

MR. D. WATSON, *Chairman, in the Chair.*

Hon'ble J. K. Bythell,
Mr. J. Y. Lang,
Mr. M. Mowat,
Mr. Nanabhoy Byramjee Jeejeebhoy,
Mr. Vizboocundas Atmaram,
Mr. Dwarkadas Goverdhundas,
Mr. C. Balcrishna, and
Many Bhattia and Bania Merchants were also present.

MR. GORDON, the Secretary of the Chamber read the Notice convening the Meeting.

The Chairman said that on the subject to be brought before the Meeting he did not intend to say anything; that would be done by others who had made the subject their special study, and who were personally interested in it, and he had no doubt they would lay before the Meeting a very excellent case for this Meeting having been called. He would, however, express the satisfaction he felt at seeing so large and influential a number of native merchants responding to the call. He would not detain the Meeting any longer, but would simply call on the Hon'ble Mr. Bythell to move the resolutions.

The Hon'ble J. K. Bythell then addressed the Meeting at some length, dwelling principally on the G. I. P. Railway Company's Carting Agency contract, and their high terminal charges, and concluded by moving the following Resolutions:—

1.—That in the opinion of this Meeting steps should be taken to lay before Government and the Railway Companies the views of the mercantile community with respect to the carting arrangements of the Railway Companies and the excessively high terminal charges levied by the G. I. P. Railway; also to secure proper station accommodation for goods in Bombay.

2.—That as the attention of Government has been recently directed to the railway cart-

ing arrangements in this Presidency, and as the G. I. P. Railway carting contract expires next month, the present time is particularly suitable for making known the opinions of the merchants on the subject.

3.—That while not disapproving of the employment of carting agencies on terms fair to the trade, this Meeting is of opinion that merchants should always have the option of taking their own goods to or from the stations, and, that when the carting agencies are not employed no charge ought to be made for the benefit, or towards the maintenance of such agencies, inasmuch as the Railway Companies should provide station accommodation and receive and deliver goods at the stations in return for the terminal charges which they levy.

4.—That the trade of Bombay has been unfairly burdened by the G. I. P Railway Company during the last few years; for, although the Company has from time to time succeeded in reducing greatly the rates paid to its Carting Contractor (the rates now paid being less than half of what they were in 1870) yet the charges to the public for carting (the payment of which is in the case of Cotton still compulsory whether the consignees wish to have the Cotton carted or not) have not been lowered at all. That the imposition by the G. I. P. Railway Company for its own benefit of such a heavy tax on the trade is, in the opinion of this Meeting, a mistaken policy tending to injure not only the interests of Bombay as a mercantile city and seaport, but also those of the Railway Company, inasmuch as vexatious and heavy imposts will undoubtedly help still further to curtail the trade of the port.

5.—That as "terminals" are charged on all goods arriving in Bombay, the Companies are in justice bound to provide cranes and other proper accommodation for the unloading of the waggons, the storage of goods, and the loading of carts, so that the heavy losses now incurred, particularly by Cotton merchants, through the complete absence of such accommodation, may be avoided in future.

That the following gentlemen be requested to act in concert with the Committee of the Chamber of Commerce, as a Special Committee, to make representations in the proper quarter, and to take generally on behalf of this Meeting whatever steps they may deem best with the view of obtaining a remedy for the grievances complained of, and securing for the mercantile community fair treatment at the hands of the Railway Companies:—

The Hon'ble J. K. Bythell,
Mr. Nanabhoy Byramjee Jeejeebhoy,
Mr. Vizboocundas Atmaram,
Mr. Khatao Maconjee, and
Mr. Sorabjee Shapoorjee Bengalee.

Mr. Vizboocundas Atmaram seconded the resolution.

The resolutions were put to the Meeting and carried unanimously.

Mr. J. Y. Lang then moved,—"That the Committee do not confine their enquiries simply to the Carting Agency question, but look carefully also into the whole question of railway freights charged

by the G. I. P. Railway, and make the necessary representations to Government on the subject."

Mr. Nanabhoy Byramjee Jeejeebhoy seconded the proposition, and it was unanimously carried.

The Hon'ble Mr. Bythell then proposed the following resolution, which was seconded by Mr. Mowat and carried : —

"That the Special Committee be likewise empowered to lay before the Railway Companies the desirability of taking steps to prevent their carting contractors from overloading the bullocks they employ, for, in the opinion of this Meeting, great cruelty has of late been inflicted on the bullocks employed in carting cotton."

The Hon'ble Mr. Bythell proposed the best thanks of the Meeting to the Committee of the Chamber of Commerce, and to the Chairman for his kind and courteous behaviour in the chair.

The Chairman having acknowledged the vote of thanks, the Meeting separated.

A SPECIAL GENERAL MEETING of the Members of the Chamber of Commerce was held at the office of the Chamber on Tuesday, the 5th January 1875, to confirm the Customs' Tariff valuation proposed by the Special Committee appointed by the Chamber, and to consider the policy to be urged on the Tariff Committee in Calcutta, appointed by the Government of India, on the general question of the revision of duties.

Present :

MR. D. WATSON, *Chairman, in the Chair.*
,, J. A. FORBES, *Deputy Chairman.*

Hon'ble J. K. Bythell.	Mr. Edward Walker.
Mr. John Brandenburg.	,, Alex. McHinch.
,, T. H. Moore.	,, M. Mowat.
,, W. Lang.	,, G. A. Kittredge.
,, Sorabjee Framjee Patell.	,, K. C. McIver.
,, D. Graham.	,, L. A. Blascheck.
,, R. B. Sedgwick.	,, W. S. D. Blackhall.
,, T. E. Taylor.	Capt. G. F. Henry.

MR. J. GORDON, *Secretary.*

The notice convening the Meeting was read by the Secretary.

The Chairman having submitted the list of valuations proposed by the Special Committee appointed by the Chamber, and commented on the more important items, moved that the list be

accepted by the Chamber. The motion was seconded by Mr. E. Walker and carried unanimously.

The Chairman then addressed the Meeting at some length on the policy to be urged on the Tariff Committee on the general question of the revision of duties, and concluded his address by proposing the following resolutions, which were seconded by Mr. J. A. Forbes:—

I.—That this Chamber would urge upon the Government of India the abolition of the following duties:—

1. The import duty on Cotton Goods and Yarns.
2. The import duties on Sugar and Dates—articles which are only imported into the Presidency of Bombay, and which really are a necessary of life with large portions of the population.
3. The import duty on all articles for which Bombay acts more as a depôt than as a place of consumption,—the gain to Government being small, and the trouble both to them and the merchant, and the hinderance to trade, great.
4. The import duty on many small articles which give little return to the Revenue.
5. The export duties on all articles except those on Rice, Indigo, Lac, and Seeds.

II.—That the Chamber is aware that all these reductions can only be made subject to the needs of the public revenue, but would suggest that the loss be made good from the following sources:—

1. Increased economy in public expenditure.
2. Diminished expenditure for a time on Public Works.
3. The institution of an excise tax on Tobacco, in addition to the import duty,—or, if more practicable, the establishment of a Government monopoly in the article.
4. All imposts on Tobacco, as well as on Spirits and Liquors, including licences to sell, to be taken out of the hands of Municipal and local bodies, and carried to the general revenues of the country.

Mr. Kittredge then moved, as an amendment, that clause 1 be struck out of the first resolution.

The amendment was seconded by Captain Henry.

After some discussion on the subject the Chairman put Mr. Kittredge's amendment to the meeting and it was lost.

Mr. Kittredge then proposed that clause 2 of the first resolution be left out, but as there was no one to second the proposition, the amendment was lost.

Mr. Kittredge said that he had several more amendments to propose, but it was useless for him to offer further amendments that day.

After some discussion, the meeting was adjourned for a day in

order to give Mr. Kittredge an opportunity of bringing forward his other amendments.

THE Adjourned Special General Meeting of the Members of the Chamber of Commerce was held at the office of the Chamber on Wednesday the 6th January 1875, when the discussion as to the policy to be urged on the Tariff Committee in Calcutta on the general question of the revision of duties was resumed.

Present:

MR. D. WATSON, *Chairman, in the Chair.*
,, J. A. FORBES, *Deputy Chairman.*

Hon'ble J. K. Bythell.	Mr. M Mowat.
Mr. T. H. Moore.	,, G. A. Kittredge.
,, D. Graham.	,, K. C. McIver.
,, R. B. Sedgwick.	,, L. A. Blascheck.
,, Edward Walker.	,, A. C. Gumpert.
,, W. G. Hall.	,, A. E. Ashley.
,, A. McHinch.	

MR. J. GORDON, *Secretary.*

The Circular convening the meeting having been read by the Secretary, the further consideration of the question of the revision of duties was resumed.

The Chairman opened the Meeting by stating that two amendments had already been proposed by Mr. Kittredge and negatived. He thought that with a view to saving the time of the Meeting it should be understood that if Mr. Kittredge moved again, he should move an amendment applying to the whole resolution, and if it were negatived, the resolutions must be put to the Meeting.

After some discussion Mr. Kittredge proposed as an amendment that clauses three and four of the first resolution should be left out, and that in clause five the words " and seeds" should be omitted, and that there should be added the following words : " these the Chamber urges upon the Government of India as the first duties demanding consideration."

Mr. W. G. Hall seconded the amendment.

The amendment on being put to the meeting was lost, with the exception of the latter part of it, namely, that part relating to clause

5 of the first resolution which had been adopted by the Committee, only the proposer and seconder voting in favor of the amendment.

The Chairman's original proposition, with the alteration suggested in clause 5 by Mr. Kittredge, and also a verbal alteration, was then put to the meeting and carried. This resolution in its altered form was as follows :—

I.—That this Chamber would urge upon the Government of India the abolition of the following duties :—

1.—The import duty on Cotton Goods and Yarns.

2.—The Import duties on Sugar and Dates—articles which are mainly imported into the Presidency of Bombay, and which really are necessaries of life with large portions of the population.

3.—The import duty on all articles for which Bombay acts more as a depôt than as a place of consumption,—the gain to Government being small, and the trouble both to them and the merchant, and the hiderance to trade, great.

4.—The import duty on many small articles which give little return to the revenue.

5.—The export duties on all articles except those on Rice, Indigo, and Lac ; and these the Chamber urges upon the Government of India as the first duties demanding consideration.

The Chairman said they had better now proceed with the consideration of the second resolution which had already been moved and seconded, and he would suggest that in this case the amendments should be put together also.

Mr. Kittredge objected to this course and moved that the meeting resolve itself into a Committee in order to discuss the different parts of the resolution separately. The motion was seconded by Mr. A. C. Gumpert.

The opinion of the meeting was then taken as to whether the different clauses of the resolution should be discussed separately or together, and it was decided that each should be taken separately.

The Chairman then proposed the first clause of the resolution, which was as follows :—That the Chamber is aware that all these reductions can only be made subject to the needs of the public revenue, but would suggest that the loss be made good from the following source : " increased economy in public expenditure."

The Hon'ble Mr. Bythell supported the resolution.

Messrs. Kittredge, Hall, and Gumpert opposed the proposition.

The original proposition was carried by eight votes against three.

The Chairman then said that the second part of the resolution was that they suggested that the loss be made good in the meantime from diminished expenditure on public works.

Mr. Kittredge also objected to this resolution on the same ground as he objected to the other; it was too indefinite.

Mr. Hall seconded Mr. Kittredge's proposition.

The Chairman put the second clause of the resolution to the vote, and it was carried by eight votes against five.

The Chairman then put the third part of the resolution, which was that the Chamber suggests the institution of an excise tax on tobacco in addition to the import duty, or, if more practicable, the establishment of a Government monopoly in the article.

Messrs. Kittredge and McHinch opposed the proposition.

The original proposition was put to the meeting and carried by 10 votes against 3.

The Chairman then put the fourth part of the resolution, which was "That all imposts on tobacco, as well as on spirits and liquors, including licences to sell, be taken out of the hands of Municipal and local bodies and carried to the general revenues of the country."

The Hon'ble Mr. Bythell seconded the proposition.

Mr. Kittredge opposed this proposition also.

The Chairman put the fourth clause of the resolution to the meeting and it was carried.

The whole resolution as passed was as follows:—

II.—That the Chamber is aware that all these reductions can only be made subject to the needs of the public revenue, but would suggest that the loss be made good from the following sources:—

1. Increased economy in public expenditure.
2. Diminished expenditure for a time on Public Works.
3. The institution of an excise tax on Tobacco, in addition to the import duty,—

or, if more practicable, the establishment of a Government monopoly in the article.

4. All imposts on Tobacco, as well as on Spirits and Liquors, including licences to sell, to be taken out of the hands of Municipal and local bodies, and carried to the general revenues of the country.

Mr. Kittredge then said he begged to propose the resolution of which he had given notice, and he would be as brief as he could. The following was the Resolution :—

" That the Chamber recommends Government, in case the loss entailed on the public revenue by the abolition of export duties, amounting to about ten lacs of rupees, must be made good, the following as the means which will be least prejudicial to trade and the fairest to the general public :—

" An import duty of 10 per cent. on precious stones and pearls.
" That the import duty on silk goods be advanced from 5 to 7½ per cent.
" That the import duty on iron be advanced from 1 to 2 per cent.
" That an import duty of 2 per cent. be levied on machinery.
" That an *ad valorem* duty be levied on wines."

Mr. Hall said he did not think the Chamber could pass these resolutions after what they had already done. To bring forward articles like Iron and so on would be to say that the last resolutions were not the best that could be made.

After some further discussion, Mr. Kittredge said he hoped somebody would move that the resolutions already passed prevented his bringing his resolution forward in order to get the opinion of the Chamber as he had no wish to force his resolutions on them. At the same time he must remind them that he gave notice of them twelve days ago, and he thought he should have a hearing.

The Hon'ble Mr. Bythell said he would be glad to move such a resolution, especially as Mr. Kittredge had asked that it should be done.

The proposition was seconded by Mr. Hall and carried.

The Hon'ble Mr. Bythell then proposed the following resolution :—

III.—" That the Chamber would especially urge upon the Government of India the desirability of abolishing immediately the export duty on Indian-made goods and yarns, as the amount of revenue derived from the tax is small, and it is extremely important that nothing should be done to prevent India from finding markets for her manufactures in other countries."

The resolution was seconded by Mr. Mowatt, and carried unanimously.

The business being concluded, the Meeting terminated with a vote of thanks to the Chairman.

A PUBLIC MEETING of the Members of the Mercantile Community, European and Native, was held in the rooms of the Chamber, of Commerce on Saturday the 11th of September, 1875.

1.—To consider the duty of 5 per cent. *ad valorem* imposed under the Indian Tariff Act 1875 on Raw Cotton, not the produce of Continental Asia or Ceylon, imported into British India; and

2.—To consider the action of the Secretary of State for India in maintaining the Cotton Frauds Act, contrary to the recommendation of the Committee appointed by the Government to enquire into the subject;

And to pass such Resolutions thereon as might be considered expedient.

Present.

MR. J. A. FORBES, *Deputy Chairman, in the Chair.*

Hon'ble D. Graham.
Mr. H. Maxwell.
„ C. L. Weber.
„ O. Fiedler.
„ L. R. W. Forrest.
„ R. E. Bickerdike.
„ C. Poole.
„ M. Mowat.
„ Bryce.
„ W. S. D. Blackhall.
„ Sorabjee Framjee Patell.
„ James Dickson.
„ D. Finlayson.
„ James Potter.
„ Rughoonath NarrayenKhote.
„ Dinshaw Manockjee Petit.
„ Framjee Dinshaw Petit.
„ Kursondass Vulubdass.
„ Ramchunder Henraz.
„ Madhowrow Morojee.
„ J. Lodge.
„ Dayal Ruttonsey for Jamsedjee Heerajee.
„ Amratlall Dayaram—representative of Becherdass Ambaidass.
Mr. Wulubdass Waljee.
„ Damodhurdass Tapidass.
„ Tapidass Vuruzdass.
„ James Scott.
„ James H. Latimer.
„ Kacussoo Nowrojee Kabrajee.
„ Nowrojee Furdoonjee.
„ Ghellabhoy Pudumsey.
„ Nursee Kessowjee.
„ Soonderdass Jadowjee.
„ Vizbhoocundass Atmaram.
„ Sorabjee Shapoorjee Bengalee.
„ Vurjeewundass Madhowdass.
„ Jugjeewundass Hurgowundass.
„ Manockjee Rustomjee.
„ Ruttonjee Maneckjee.
„ Gungadass Kesserdass.
„ ManeckshawJehangeershaw.
„ Ruggoonath Mooljee.
„ Chuttoorbhoy Govind.
„ Nanjee Toolseedass.
„ Luckmidass Purshotum.
„ Govindjee Koovurjee.

MR. J. GORDON, *Secretary.*

The notice convening the meeting was read by the Secretary.

The Chairman having briefly addressed the Meeting on the subjects for the discussion of which it was convened—

Mr. Maxwell (of Messrs. W. Nicol & Co.) proposed, and Mr. Graham (of Messrs. W. and A. Graham and Co.) seconded the following Resolution :—

"That this Meeting protests against the duty of 5 per cent. *ad valorem* levied, under the Indian Tariff Act 1875, on Raw Cotton, not the produce of Continental Asia or Ceylon imported into British India, as an unjust and impolitic restriction on the Manufactures of India, and contrary to that sound principle of the Commercial policy of England, and of other enlightened nations, which requires the State to give every encouragement to the free importation of the Raw materials necessary for the development and extension of native manufactures."

Some of the Members of the Chamber having supported the Resolution, the Chairman intimated that any gentlemen not members of the Chamber, were at liberty to speak if they desired, whereupon Messrs. E. M. Fogo, Nowrojee Furdoonjee, and Mr. J. A. Lattimer spoke in support of the Resolution.

Mr. Bickerdike (of Messrs. Knoop and Co.) protested against the Resolution.

The Chairman put the resolution as proposed and seconded, and it was carried with only two dissentients (Mr. Bickerdike and Mr. C. Poole).

The second resolution was then formally proposed by Mr. Mowat, (of Messrs. Ritchie, Steuart and Co.) and seconded by Mr. Sorabjee Framjee Patell, (of Messrs Framjee, Sands and Co.) :—

"That the Committee of the Chamber of Commerce be requested on behalf of the meeting to submit the foregoing resolution to the Government of India, with a memorial, praying that the duty of 5 per cent. on Raw Cotton, not the produce of Continantal Asia or Ceylon, imported into British India, be immediately repealed."

And it was carried with only two dissentients as before.

The Hon'ble Mr. Graham proposed the following Resolution, of which he had given notice :—

"That the Secretary of State for India having resolved to maintain the Cotton Frauds Act, contrary to the recommendation of the Committee appointed by the Bombay Government to enquire into the subject, this Chamber desires to record it protest against a policy which continues to burden the trade with an unnecessary tax"

Mr. Bickerdike seconded the Resolution.

Mr. Mowat was of opinion that the time had not yet arrived for doing away with the Act without substituting something else. Messrs. Maxwell, Nowrojee Furdoo jee, and Mr. Vizboocundass

Atmaram supported the Resolution, which was carried with only one dissentient, (Mr. Mowat).

The Meeting then dissolved.

THE Annual General Meeting of the Members of the Chamber of Commerce was held at the Office of the Chamber on Tuesday, the 19th October 1875, to receive the Report of the outgoing Committee, and to elect a Committee for the ensuing year.

Present:

MR. J. A. FORBES, *Deputy Chairman, in the Chair.*

Hon'ble Donald Graham.
Mr. Robert Ewing.
„ Sorabjee Framjee Patell.
„ John R. Greaves.
„ L. R. W. Forrest.
„ Edward Walker.
„ A. Prier de Saone.
„ Charles Macdonald.
„ W. M. Macaulay.
Mr. Charles Douglas.
„ M Mowat.
„ J. Y. Lang.
„ F Fischer.
„ Bryce.
„ A. C. Gumpert.
„ G. E. Noble.
„ Cameron (of the Oriental Bank).

MR. J. GORDON, *Secretary.*

The notice convening the Meeting having been read by the Secretary,

The Chairman addressed the Meeting on some of the principal topics referred to in the Report of the Committee for the year 1874 75, which had been circulated among the Members, and proposed to the Meeting that the report be taken as read, which was agreed to.

Proposed by the Hon'ble Donald Graham, (Messrs. W. and A. Graham and Co.) and seconded by Mr. C. Macdonald (Messrs. C. Macdonald and Co.):—"That the Report of the Committee that has "been circulated be received with thanks, and printed for general "information, together with the documents therein referred to; and "that the Members of the retiring Committee do now receive the "thanks of the Chamber for their attention to its interests during "the year of office now expired." Carried unanimously.

Proposed by Mr. Charles Douglas, (of Messrs. Ritchie, Steuart

and Co.) seconded by Mr. Edward Walker, (of Messrs. Lyon and Co.) and carried unanimously :—

That the following gentlemen be appointed the Committee for the ensuing year :—

Mr. J. A. Forbes, (Messrs. Forbes & Co.,) *Chairman.*

Captain G. F. Henry, (Superintendent P. & O. Company) *Deputy Chairman.*

Hon. Donald Graham (Messrs. W. & A. Graham & Co.)
Mr. Robert Ewing (Messrs. Finlay, Muir & Co.)
,, A. Prier DeSaque (Messrs. George Lockhart & Co.)
,, J. Y. Lang (Messrs. Stearns, Hobart & Co.)
,, G. E. Noble (Agent Hongkong and Shanghai Banking Corporation.)

} *Members of Committee.*

Messrs. W. Nicol and Co. had given notice that they would submit to the meeting a proposal to the effect that the rate of commission " for landing and re-shipping goods from any vessel in distress," &c. be reduced from 5 per cent. to 2½ per cent. when the value of the goods so landed should exceed one lac of rupees ; when the aggregate value of the goods is less than that amount the commission to be 5 per cent. as at present.

The following resolution was, however, proposed by Mr. Macaulay and seconded by Mr. Ewing that :—

" On landing and re-shipping goods from any vessel in distress, stranded, or wrecked, and acting as Agent for the Master on behalf of all concerned,

" On the declared value of all such goods as may be re-shipped,—5 per cent. on the first lac, and 1 per cent. on any amount over the first lac.

" For the sale of damaged goods 5 per cent. on the net proceeds."

After some discussion, however, it was proposed by Mr. Douglas seconded by Mr. Macdonald, and carried unanimously :—

" That the proposals be referred to the Committee with a request that they bring a proposal on the subject before next meeting."

The Chairman said that the subject was important, and that doubtless the Committee would take it into consideration.

A vote of thanks to the Chairman closed the meeting.

OF THE BOMBAY BRANCH OF THE ASIATIC

ANNUAL REPORT.

———:o:———

Your Committee have now the honour to report to the Members of the Chamber on the principal topics which have engaged their attention during the official year just closed.

REVISION OF THE CUSTOMS' TARIFF.

The state of the Customs' Tariff had been under the consideration of the Chamber in various forms since the close of 1872, and, on the 22nd September 1873, your Committee's predecessors in office addressed the local Government, requesting that His Excellency in Council would be pleased to move the Government of India to appoint a Commission to sit at Calcutta, with representatives from Madras and Bombay, for the purpose of considering the whole subject. To this request, and to a similar communication made on the 7th October last, a reply, dated 2nd December 1874, was received, enclosing a Resolution of the Government of India by which the formation of a Committee to meet in Calcutta in the first week of January last was sanctioned, and requesting the Chamber to nominate a representative to sit on the Committee so as to facilitate the enquiry. The Committee was appointed for the purpose of revising the Tariff valuations, but was desired at the same time to inquire into and report on (1) the propriety of removing from the Tariff any articles, the retention of which might be thought unimportant in the interest of the

public revenue, and the removal of which from the list of dutiable articles would give freedom to trade, or any other cases in which, from competition or otherwise, the Committee might be of opinion that any of the existing export duties were seriously prejudicial to the trade in the articles subject to them; (2) to enquire into and report upon the effect of the duties levied on the import of cotton goods and twist manufactured in England, the Committee, in considering this question, being requested to observe that the Government of India does not impose or maintain customs duties for the purpose of affording protection to any branch or class of industry, but for revenue purposes only; and, finally, the Committee were told that the Government of India would be glad to receive suggestions from them generally upon any matters in which they might consider that the Customs Tariff required amendment.

On receiving this Resolution, your Committee appointed a Special Committee, composed not only of Members of the Chamber, but of a number of merchants outside the Chamber, who were acquainted with the various branches of the trade of the Port, and some of whom were engaged in spinning and weaving in the Town of Bombay, to enquire into and report on the Customs' Tariff valuations with a view to their revision. After a good many Meetings, and a great deal of discussion, the Special Committee arrived at the valuations, which were unanimously confirmed by the Chamber in General Meeting assembled on the 5th and 6th January last.

At the same General Meetings, the Chamber also considered the policy to be urged on the Tariff Committee on the general question of the revision of duties, and, after a

careful consideration of all the questions raised by the Government of India, passed the following Resolution.

That this Chamber would urge upon the Government of India the abolition of the following duties:—

1.—The import duty on cotton goods and yarns.

2.—The import duties on Sugar and Dates—articles which are mainly imported into the Presidency of Bombay, and which really are necessaries of life with large portions of the population.

3.—The import duty on all articles for which Bombay acts more as a depot than as a place of consumption,—the gain to Government being small, and the trouble both to them and the merchant, and the hindrance to trade, great.

4.—The import duty on many small articles which give little return to the revenue.

5.—The export duty on all articles except those on Rice, Indigo, and Lac; and these the Chamber urges upon the Government of India as the first duties demanding consideration.

6.—The export duty especially on Indian-made goods and yarns, as the amount of the revenue derived from the tax is small, and it is extremely important that nothing should be done to prevent India from finding markets for her manufactures in other countries.

This resolution was embodied in the Chamber's representation to the Tariff Committee in Calcutta, dated 29th January 1875, which was despatched when it was found that Mr. Watson, the Chairman of the Chamber, who had been

requested by a large number of members to represent the Chamber on the Tariff Committee, was unable to leave Bombay, at the time, for any lengthened period. As the changes proposed by the foregoing resolution, would involve a loss to the revenues of India of not less than a million sterling the Chamber then proceeded to consider how this loss of revenue could be made good, and the following Resolution was passed and forwarded to Government, along with copies of the whole proceedings, for the consideration of the Government of India :—

That the Chamber is aware that all these reductions can only be made subject to the needs of the public revenue, but would suggest that the loss be made good from the following sources :—

1.—Increased economy in public expenditure.

2.—Diminished expenditure for a time on Public Works.

3.—The institution of an excise tax on Tobacco, in addition to the import duty,—or, if more practicable, the establishment of a Government monopoly in the article.

4.—All imposts on Tobacco, as well as on Spirits and Liquors, including licences to sell, to be taken out of the hands of Municipal and local bodies, and carried to the general revenues of the country.

The Report of the Tariff Committee, dated 27th February, the Resolution of the Government of India thereon, dated 12th August, and the Indian Tariff Act, No. XVI. of 1875, which received the assent of His Excellency the Governor-General on the 5th, and became law on the 6th August 1875, were duly promulgated. With regard to the Tariff

valuations, the following table shows the changes proposed by the Chamber, and those finally adopted by the Government of India, in a few of the more important articles imported :—

	Valuations under Act XIII of 1871.			Valuations proposed by the Chamber.			Valuations under the new Tariff Act.		
Cotton Twist—	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
Mule, No. 15 and lower Nos. per lb...	0	6	0	0	5	0	0	5	0
Nos. 16 to 24 „ ...	0	9	0	0	7	0	0	7	0
25 to 32 „ ...	0	10	0	0	8	0	0	8	0
33 to 42 „ ...	0	11	0	0	9	0	0	9	6
Water, No. 20 and lower Nos. „ ...	0	10	0	0	8	0	0	8	0
30 „ ...	0	11	0	0	9	0	0	9	6
40 „ ...	0	13	0	0	11	0	0	11	6
Piece Goods—									
Grey—									
Mulls... ... ... „ ...	1	1	0	1	0	0	1	1	0
Jacconets exceeding 10 by 10 to the quarter inch ... ... „ ...	0	13	0	0	12	0	0	12	0
Other Jacconets ... ... „ ...	0	11	0	0	10	0	0	10	6
Shirtings ... ... „ ...	0	11	0	0	9	0	0	9	0
Long Cloths ... ... „ ...	0	9	0	0	8	0	0	9	0
T. Cloths under 18 by 18, Jeans, Domestics, Sheetings, and Drills... ... ... „ ...	0	9	0	0	8	0	0	8	0
Metals—									
Copper Braziers ... per cwt...	43	0	0	48	0	0	52	0	0
Tiles, Ingots, Cakes, and Bricks ... ... „ ...	40	0	0	45	0	0	48	0	0
Iron, Flat, Square and Bolt ... „ ...	80	0	0	100	0	0	100	0	0
Do. do. Swedish ... „ ...	120	0	0	150	0	0	160	0	0
Hoop, Plate and Sheet ... „ ...	100	0	0	125	0	0	135	0	0
Lead, Pig ... ... „ ...	10	0	0	10	0	0	11	0	0
Steel, Blistered ... ... „ ...	9	0	0	9	0	0	9	0	0
British ... ... „ ...	9	0	0	9	0	0	9	0	0
Cast ... ... „ ...	25	0	0	20	0	0	25	0	0

The recommendations of the Chamber on the general question of the revision of duties were also fairly considered by the Tariff Committee in Calcutta, and by the Government of India. The Chamber requested not only that the export duty on Indian-made goods and yarns, but that the export duties on all articles, except those on Rice, Indigo, and Lac, should be repealed, and this request has been

entirely complied with. In addition to this liberal concession the general rate of import duty has been reduced from 7½ to 5 per cent. With respect to the proposal, that the import duty on cotton goods and yarns should be abolished, the Government of India found it impossible to give up so large an item of revenue as this import duty which yields more than £800,000 a year. His Excellency the Viceroy observed that it would be difficult to replace so large an amount of revenue except by an excise duty on tobacco or by some kind of direct taxation. But to substitute direct taxes or new excise duties for the Customs duties which were now imposed upon foreign goods seemed to His Excellency to be a policy which would be contrary to the interests of the people of India, and which no statesman with a knowledge of India and a sense of responsibility could be found to propose. There were, moreover, other items of customs, particularly the export duty on sugar by land, which, in regard to the general interests of the people of India, demanded prior consideration. After considering the Chamber's representation regarding Sugar and Dates, the Tariff Committee were of opinion that the trade in them was not prejudiced by the duty, and in this opinion the Government of India coincided. The only articles, which were removed from the Import Tariff, were "Fish-maws, sozille and singally fish, and shark-fins," under heading 39, "Provisions." The ground for the exemption of these articles from duty was that they only passed through Bombay, on re-exportation, when the entire duty with the exception of the usual drawback was refunded. With regard to the Chamber's proposal to abolish the import duty on many small articles which give little return to the revenue, the Tariff Committee, being precluded in the peculiar circumstances of India from proposing an increase of duty on any article which could yield a large return, felt

unwilling to recommend the relinquishment of a sum which, as a total was of importance, although the items composing it were of insignificant value.

The wise and liberal policy which the new Indian Tariff Act inaugurates has, with the exception of one item, been received with satisfaction by nearly all classes throughout the empire. The reductions and remissions of taxation will afford much relief to trade generally. But it is much to be regretted that one obnoxious tax has been introduced into the new tariff. A duty of 5 per cent. ad valorem is imposed on Raw Cotton, not the produce of Continental Asia or Ceylon, for the avowed purpose of prohibiting the people of India from improving and extending their own manufactures. Your Committee convened a Meeting of the Members, inviting the mercantile community, European and Native, and the public generally, to attend, for the purpose of considering this duty and of passing such resolutions thereon as might be deemed expedient. The Meeting was held in the office of the Chamber on the 11th of September, when the following Resolutions were passed with only two dissentients :—

1.—"That this Meeting protests against the duty of 5 per cent. ad valorem levied, under the Indian Tariff Act 1875, on Raw Cotton, not the produce of Continental Asia or Ceylon, imported into British India, as an unjust and impolitic restriction on the manufactures of India, and contrary to that sound principle of the commercial policy of England, and of other enlightened nations, which requires the State to give every encouragement to the free importation of the raw materials necessary for the development and extension of native manufactures."

2.—"That the Committee of the Chamber of Commerce be requested on behalf of this Meeting to submit the foregoing Resolution to the Government of India, with a Memorial, praying that the duty of 5 per cent. on Raw Cotton, not the produce of Continental Asia or Ceylon, imported into British India, be immediately repealed."

In accordance therewith, these Resolutions have been

sent to His Excellency the Governor in Council, for transmission to the Government of India, with a Memorial praying that the duty be immediately repealed.—(*Appendix* B:)

GOVERNMENT WET DOCKS.

After the discussion which had taken place last year on the question of the site for Wet Docks for Bombay, it was publicly announced, just as the year was closing, that the whole question had been referred home to the Secretary of State for his decision. The decision of Her Majesty's Government was communicated to the Government of India on the 18th February 1875, and it very closely coincided with the course of procedure which the Government of India had from the beginning recommended. Of the two competing sites, those of the Elphinstone Estate and Mody Bay, the former was deemed by the Secretary of State to be decidedly preferable; and that whatever might at one time have been the recommendations of Mody Bay, its selection now would almost certainly involve a greatly increased expenditure. The plans prepared in connection with it contemplated an amount of accommodation greatly in excess of the present requirements of the port, while for want of the protection which the batteries on Cross Island afford to the Elphinstone Estate, the Docks in Mody Bay would be more exposed in time of war. On the question whether the Musjid Basin should, in conjunction with, or, in substitution for the Elphinstone Basin, be converted into a Dock, the Secretary of State agreed with His Excellency the Governor-General in thinking that the conversion of the Elphinstone Dock alone would best meet the exigencies of the case.

The differences of opinion as to the cost of the whole

undertaking ranged from 58 to 76 lacs. The Secretary of State provisionally accepted the larger of the amounts named as the one most likely to prove correct, and the Government of India was therefore authorized to make to the Bombay Port Trust a loan not exceeding 76 lacs, on the security not simply of the Dock dues, but of all other revenues of the Port Trust, from whatever source derived.

Thus, after a period of 20 years, during which numerous schemes for the formation of Wet Docks in this harbour have been submitted to Government and considered, have the discussions been finally closed by the preference and sanction accorded by Her Majesty's Government to this important project. The work will be conducted by the Chief Engineer of the Port Trust, Mr. Thomas Ormiston, C.E., in whose great experience and ability, the mercantile community have the best guarantee that it will be vigorously prosecuted to a successful completion.—(*Appendix* C.)

THE SASSOON DOCK.

While the discussions on the relative merits of the Elphinstone Estate and the Mody Bay as a site for the Government Wet Dock were proceeding, another Wet Dock was being constructed by private enterprise on the south side of the Colaba Company's Estate, and is now completed.

The site of the Sassoon Dock is close to the centre of the cotton trade and in close proximity to the principal presses; and these advantages are supplemented by the direct communication with the up-country districts, afforded by the sidings in connection with the Bombay, Baroda and Central India, and Great Indian Peninsula Railways, which run on the wharves.

Its dimensions are 645 ft. in length and 292 ft. at its greatest breadth, and it covers a water space of 3½ acres. The entrance is 40 ft. wide, and the sill 26 ft. 9 in. below the level of the wharves.

Depth of water varies from 18 ft. on the sill at high water neap tides to 21 ft. 6 in. at high water spring tides, while occasionally it reaches 23 ft. 6 in.

The wharves have a frontage of 1,500 lineal feet, and an area of 2¾ acres, but there are in addition to this space upwards of 18,000 square yards of adjoining land that can be used for storage, &c.

Vessels of 18 ft. draught can enter or leave the Dock, and for those drawing up to 20 ft. there will be sufficient depth of water during the eight consecutive days of spring tides. Moorings have been laid down off the entrance in a position where there are 24 ft. of water at low spring tides, and other buoys are fixed for warping and checking vessels as they enter and leave the Dock.

It is calculated that vessels of 300 feet long could enter easily, but the Dock is best suited for steamers up to about 1,000 tons net Register, of which it could accommodate five at one time alongside the wharves : if necessary, three more vessels could lie outside the others and be worked by means of staging over and between them. The Dock will also afford great facilities for unloading heavy pieces of machinery, boilers, &c., possessing a powerful crane, and lines of rail being laid all round the wharves, rendering it easy to discharge and remove articles of any weight up to 20 tons.

SASSOON DOCK RATES AND REGULATIONS.

The proposed Dock Rates and Regulations were submitted to your Committee by Messrs. David Sassoon and Co., who, at the same time, intimated that any suggestions of the Committee would be attended to, as they desired, in publishing the list of charges, to mention that it had been revised and sanctioned by the Chamber. A Special Committee, composed of Mr. H. Maxwell, Chairman, Messrs. Graham, Manuel, Prier De Saone, J. Y. Lang, and Sorabjee Framjee, was appointed for the purpose ; and the alterations and modifications which they suggested, and which will be found in the Appendix, were adopted by your Committee, and forwarded to Messrs. David Sassoon and Co.—(*Appendix* D.)

THE ADMIXTURE OF COTTON MANUFACTURES.

Towards the close of last year, your Committee received from Government, for the observations of the Chamber, a communication from the Revenue Commissioner, N. D., urging upon Government the necessity of an Act for the prevention of, what he termed, the fraudulent preparation of cloth by means of China Clay, and other chemical compositions, for adding to the weight of cloth made in the local mills. The Revenue Commissioner affirmed that the local industry had been created in a great measure by the dishonest practices of the Manchester spinners, that it would perish in its infancy if not protected from the fraudulent packing and preparation which had done so much injury to the trade of Manchester, and that it was of the greatest importance to foster this industry by State interference. Your Committee were unable to agree with the Revenue Commissioner that legislation of

the kind suggested by him was at all desirable, but that, on the contrary, it must receive from them their strongest opposition. The industry had risen up and reached a considerable state of expansion and prosperity, entirely without either assistance or regulations from the Government, and it might safely be left in the same way to take care of itself in future. The Revenue Commissioner rested his call for legislation on the great importance of encouraging and fostering a manufacturing industry, and in a second letter referred the Chamber to the Parliamentary debates on the Adulteration of Food, which, in his opinion, fully answered the argument that any interference of the Legislature with trade is unnecessary and pernicious. Your Committee, however, pointed out the great and important differences in principle between the English Acts, and the legislation which he proposed, and referred more in detail to some of his statements and deductions, which they believed to be mistaken or inaccurate. The interference of Government to regulate the processes of the local mills would, your Committee were of opinion, unduly weight them in their competition with the Lancashire manufacturers.

Another proposal was then made by the Revenue Commissioner merely to require mill-owners to stamp on each bale of cloth in legible vernacular characters as follows :—

This bale contains so many yards so many inches wide.
Weight of Cotton.....
China Clay .....
Other substances.....

Total weight .....

This proposal, your Committee considered, would be scarcely operative at all, but, so far as it was operative, they believed that it would act as a hindrance rather than an

assistance to trade, and either course would be strongly objected to by the mill-owners themselves, without probably a single exception.—(*Appendix* E.)

BILLS OF LADING, OUTWARDS.

It will be remembered that a Meeting of merchants, and others interested in the trade with the East, was held at the London Tavern on the 11th July 1871, and that at this Meeting a Committee of Merchants was appointed to consider all the special stipulations that had been introduced into Bills of Lading for steam vessels, and to confer thereon with the representatives of the steam shipowners and underwriters, with the view of drawing up a general form of Bill of Lading, which should be equitable in its conditions to all parties. This Committee lost no time in seeking the co-operation of steam shipowners in arriving at a common understanding on the subject. A Meeting of the latter body was called in London, and a Committee, of which Mr. C. M. Norwood, M.P., was Chairman, was appointed to concert terms with the merchants. After a prolonged discussion, and a series of compromises on both sides, the "Eastern "Trade Bill of Lading, Outwards," was agreed upon, and published in three forms, No. 1, No. 2, and No. 3 (which will be found in the Appendix), slightly varied to suit different voyages. The new form came into immediate use; and the Committee of Merchants had much gratification in testifying that, in June 1872, it had been very generally accepted, not only in London, but in Liverpool and Glasgow also, and that it had proved a useful and successful document.

The advantages of uniformity of system which, it was hoped, had been thus obtained were, however, of short

duration. Objectionable clauses were ere long again inserted in some Bills of Lading used by certain lines and steamers trading with this port. The forms printed by Turner and Dunnett, Liverpool, and which are adopted by the "Liverpool, India, and China Line of Steamers," are among the worst. The forms printed by W. S. Harris & Co., Drury Lane, Liverpool, and adopted by "The King Line," and those printed by Rockliff Brothers, Castle Street, Liverpool, and used by various vessels trading to this port, also contain clauses and conditions which do not appear in the Eastern Trade Bill of Lading, Outwards. Exemption from liability in various contingencies, and sundry powers, which the joint Committee of Merchants, Shipowners, and Underwriters held not to be warranted, are again claimed for the ship. These clauses are a source of great dissatisfaction, which is aggravated by the fact that all legal points are constantly taken advantage of by the captains of Canal steamers in this port to repudiate their liability for damage to, or loss of, cargo.

Shortly after your Committee had taken office, a decision of the local Court came under their cognizance that the plaintiff, who had sued the captain of the s.s. "Parsee," had been non-suited on the ground that the Bill of Lading was not signed by the captain. The circumstances, under which this decision was given, will be found in the Appendix. As the great majority of Bills of Lading, Outwards, had hitherto been signed not by the captain, but by some one in the office of the owners or agents of the steamer, your Committee wrote to the Chambers of Liverpool, Manchester, and Glasgow, to Lloyd's Salvage Association, to the members of the Committee of Merchants and others, interested in the trade with the East, requesting them to give the utmost publicity to this decision, and to warn shippers of goods of the great

danger they were incurring in accepting Bills of Lading so signed, and bankers and merchants in advancing upon such documents; and they at the same time drew attention to the introduction of the new clauses into the Eastern Trade form by certain shipowners.

But no general action such as that which resulted in the adoption by consent of the Eastern Trade Bill of Lading can be relied upon to stop the mischief. The joint Committee, which, in 1872, agreed upon that form—equitable alike to shipowner and merchant—could only recommend its adoption: it had no power whatever to enforce its use. This must rest with merchants and shippers individually, or in combination; and if they are not alive to their own interests so far as to insist on the use of the Eastern Trade form, no Committee can do their work for them.—(*Appendix* F.)

THE WESTERN RAJPOOTANA RAILWAY—EXTENSION OF LINE FROM AHMEDABAD TO AJMERE.

Your Committee regret that no information has yet been received of the intentions of the Government of India with respect to the construction of this important line, which has now been under discussion and survey for the last ten years. The Government of India, in November last, in acknowledging the receipt of the Chamber's Memorial, praying for the immediate construction of the line, stated that it would receive full consideration on receipt of the plans and estimates which were then daily expected. These plans and estimates have, your Committee understand, been, for several months, with the Government of India.

The importance of the proposed railway, more particularly to this Presidency, has evoked, in the course of the year, several Memorials from associated bodies here to the Government, praying for its immediate construction. But its great value in the general interests of India is fully appreciated in England. In August last, the Board of Directors of the Manchester Chamber of Commerce reported to the Chamber that they had had the subject under consideration, and that they viewed the construction of the line from Ahmedabad to Ajmere as a matter of imperial importance, because the railway, when completed, would establish a complete system, opening out a valuable and populous country; and a Memorial to this effect was submitted by that Chamber to the Secretary of State. Another Memorial on the subject was also addressed, in November, by leading merchants and bankers in the Indian trade, resident in London, to the Marquis of Salisbury, who replied that he was in communication with the Government of India on the subject.

Your Committee were induced, by the great importance of the subject, once more to urge the construction of the proposed line upon Government, and on this occasion they addressed the Memorial of the Chamber to the Secretary of State, which His Excellency the Governor in Council, with his uniform courtesy, transmitted.

In the Forecast of Expenditure, however, from Extraordinary Funds on Railways, &c., for the five years ending 1879-80, published in the *Gazette of India*, dated Simla, June 12, 1875, no mention is made—in the progress intended to be effected, either in the Guaranteed, or in the State, Railways—of the Western Rajpootana Railway, from Ahmedabad to Ajmere, which, with the exception,

perhaps, of the Punjaub Northern, and the Indus Valley, is of infinitely greater importance in the general interests of the country than any of the lines mentioned, and to which the Government of India apparently has resolved to concede priority of construction. Your Committee, thereupon, addressed His Excellency the Governor in Council, requesting that he would be pleased to ask the Government of India to favour them with an explanation of the omission of this railway from the Forecast, and with information as to the probable date on which its construction would be sanctioned. A copy of this letter has been forwarded by His Excellency in Council to the Goverment of India, with a request that that Government will furnish the information necessary to enable His Excellency to reply to the questions put by the Chamber.—(*Appendix* G.)

POSTAGE RATES CHARGEABLE IN INDIA ON CORRESPONDENCE CONVEYED VIA BOMBAY AND BRINDISI, BETWEEN INDIA AND GERMANY, AND THE SEVERAL EUROPEAN COUNTRIES SERVED THROUGH GERMANY.

A Notification No. 5546, dated 11th September 1874, was issued by the Government of India that arrangements having been made for a direct exchange of Mails, via Bombay and Brindisi, between India and Germany, commencing on the Indian side with the first Mail leaving Bombay in October, the Governor-General in Council was pleased to fix the following rates of postage chargeable in India on correspondence conveyed by this route between India and Germany and the several European countries served through Germany :—

Countries to which correspondence may be sent.	Letters. Prepayment Optional.	Packets of Newspapers, Books, and Patterns. Prepayment compulsory.	
	For each ½ oz. or fraction thereof.	Not exceeding 2 oz. in weight.	Not exceeding 4 oz. in weight. A like rate extra for every additional 4 oz or fraction thereof.
	A. P.	A. P.	A. P.
Germany, including all the German States mentioned in the Postal Guide	5 6	1 6	3 0
Luxemburg			
Heligoland			
Belgium	6 6	2 0	4 0
Holland			
Sweden			
Denmark			
Norway			
Russia			

Your Committee, observing that the postage for letters up to ½ oz. is 5 annas 6 pies to the German States, and to Luxemburg and Heligoland, and 6 annas 6 pies to Belgium, Holland, Sweden, Denmark, Norway, and Russia, while the postage on similar letters to the United Kingdom, which is less distant than the four countries last-named, remained at 8 annas, wrote to the Director-General of the Post Offices of India for information as to how the postage rates are, in the cases mentioned, made up and distributed. The Officiating Director-General was kind enough to supply the following details :—

—		German Inland Postage	Combined Inland Postage of Germany & Countries served through it.	Indian Inland Postage	British Packet Postage	Territorial Transit through Italy.	TOTAL.
		Pence.	Pence.	Pence.	Pence.	Pence.	Pence.
To or from Germany, including Luxemburg and Heligoland.	Paid letters per 30 grammes net.	4	...	4	12·6	3	23·6
To or from Countries served through Germany.....	Paid letters per 30 grammes net.	...	8	4	12·6	3	27·6

The first total (23·6d.) is at 22d. per rupee equal to 17·1636 annas, which divided by 3·1185 (being the number of ½ oz. rates found by observation to be contained in 30 grammes net weight) gives 5·503 or 5 annas 6 pies as the rate per ½ oz. leviable in India on paid letters for Germany. The next total (27·6d.), calculated in the same way, gives 6·436 or 6 annas 6 pies as the rate on paid letters for countries served through Germany.

The distribution of the postage (8 annas) on a-half ounce paid letter sent from India to the United Kingdom is as follows :—

	Pence.
British Packet rate	7
Indian Inland rate	1
British Inland rate	1
Rate levied to cover territorial transit through Italy and France.	3
Total	12

Upon receiving this information, your Committee again addressed the Director-General, pointing out that the postage rate to the United Kingdom was high when compared with the rates to Germany, and countries served through Germany, and that the excessive charge appeared to be principally in the item *British Packet Postage*. As the services rendered by the Post Office on all letters to any European country, carried from India to Brindisi, are identical, your Committee were at a loss to understand why the Packet rate on a-half ounce paid letter from India to the United Kingdom should be fixed at the high rate of 7d., whilst the Packet rate on a letter from India to Germany is slightly over 4d. only. The Director-General was kind enough to explain that in former years the lesser rate (4d. per ½ oz.) governed both the correspondence with the United Kingdom, and that transmitted to the Continent of Europe

via France. But in 1868, the weekly mail service was substituted for the previously existing semi-monthly communication, at an enhanced cost in the shape of subsidy; and to meet this extra payment, the British Packet rate on letters between India and the United Kingdom was, notwithstanding the remonstrances of the Indian Post Office, endorsed by the Government of India, raised to 7d. per ½ oz. —an increase of 75 per cent.

No demand was made by the British Post Office for any corresponding increase in the sea postage levied on letters for the Continent of Europe via France, which was doubtless due to the convention between the British and French Post Offices executed in 1856, and no enhancement of postage on that correspondence was therefore made. When the route for the transmission of correspondence to the Continent of Europe through Italy was organised in 1870, the British Packet rate on letters was, at the instance of the Indian Post Office, assimilated to that of the route via France; and the same rate was again extended to the new route via Brindisi for Germany, and countries served through Germany. The new arrangement with Germany, therefore, was not coupled with any reduction in the rate for sea postage, but resulted in its assimilation to that which had for many years regulated this charge on other lines of communication with the Continent of Europe.

The Director-General estimates, from an independent calculation made in his own office, that the yearly loss to India at which the Overland Mail Service has been conducted since the introduction in March 1868, of the present postage rates on correspondence with the United Kingdom, is about £65,000; but there can be no question that the

Service is carried on at a large pecuniary sacrifice both on the part of the British and Indian Governments.—(*Appendix* H.)

POSTAGE RATES BETWEEN INDIA AND ITALY, AND COUNTRIES SERVED THROUGH ITALY.

Consequent upon certain alterations in the postage rates between India and Italy and countries served through Italy, resulting from the arrangements of the General Postal Union Treaty recently concluded at Berne, the following rates are made applicable to correspondence for the countries and by the routes mentioned, with effect from 1st September 1875 :—

Correspondence sent "*via Brindisi through Italy*" for the following countries.	Letters for each ½ oz. or fraction thereof.	Packets of Newspapers, Books, and Patterns.	
		Not exceeding 2 oz.	Not exceeding 4 oz. A like rate extra for every additional 4 oz.
	Annas.	Annas.	Annas.
Italy	5½	1	2
Austria (including Hungary) Denmark, Faroe Islands, Germany, Heligoland, Luxemburg, Netherlands, Norway, Roumania, Russia, Servia, Sweden and Switzerland	6½	1½	3
Belgium	7	2½	4½

Unpaid letters will be charged on delivery at the following rates :—

From	Per ½ oz. Annas.
Italy	7½
Austria (including Hungary), Denmark, Faroe Islands, Germany, Heligoland, Luxemburg, Netherlands, Norway, Roumania, Russia, Servia, Sweden and Switzerland	9½
Belgium	10

—(*Appendix* I.)

TOWN DUTIES ON GRAIN AND TOBACCO.

Shortly after your Committee had taken office, the operation of the Municipal Duties levied on Grain and on Tobacco

came under their consideration. They addressed the Government of India on the subject, respectfully requesting that, for the reasons set forth, it would take measures to repeal the duty on Grain, and to so modify the Rules affecting the remission of the local duty on the re-exportation of Tobacco, as to remove the difficulties and restrictions interposed in the granting of such remissions. The local Government, through whom the Chamber's representation was forwarded, sent it for his opinion and remarks to the Municipal Commissioner, who opposed the abolition of the duty on Grain, but cordially agreed with the Chamber that alterations of system were desirable in order to prevent the town duties from operating to any extent as transit dues. The proposals made in paras. 47 and 48 of his letter, if carried out, would, so far as they go, afford a great relief to trade, and would to a certain extent remove the present grounds for complaint. But there was still a wide difference both in practice and in principle between the greater facilities which the Municipal Commissioner was willing to afford for obtaining refunds of town duties and the total abolition of the town duties themselves as prayed for by the Chamber.

The Government of Bombay, in transmitting these papers to the Government of India, expressed its desire to see the system on which the Municipal dues are levied, divested, as far as possible, of anything that could give them the character of transit duties, and was of opinion that the proposals made by Mr. Pedder would undoubtedly tend to this end. With efficient regulations in respect of Refunds, His Excellency in Council was not prepared to advocate a preference being given, in the matter of exemption from taxation, to one description of taxable produce over another on its being brought into the City.

His Excellency the Governor-General in Council agreed with the Government of Bombay in considering that the proposals made by the Municipal Commissioner were calculated to prevent the dues levied on behalf of the Municipality at Bombay from operating as transit duties. And it would devolve on the Government of Bombay to see that these proposals, with any needful modifications, were carried into effect. His Excellency, however, did not consider it necessary to discuss on this occasion the principles of the Municipal taxation of the City of Bombay, or to suggest any changes in that taxation.—(*Appendix* J.)

TOWN AND TRANSIT DUTIES LEVIED BY MUNICIPALITIES IN THE PRESIDENCY OF BOMBAY.

It having come to the knowledge of your Committee that Transit and Town Duties, pressing heavily upon trade, are levied by nearly every Municipality in the interior of India on articles which enter into the general trade of the country, they considered it desirable to enquire into the subject, and wrote for information to twelve Municipalities in the Bombay Presidency. The results of the investigation showed that in some of these Municipalities, Transit Duties are avowedly levied, and that, in all, Town Duties are imposed on Piece Goods, Yarns, Metals, Cotton, Wool, Silk, and other articles, and generally under restrictions so stringent as to convert these Town Duties into Transit Duties. The Government of India, in an able Minute, dated 14th November 1868, which almost exhausted the whole subject of Municipal taxation, declared that Transit Duties have long since been

condemned by universally-accepted maxims of policy; and that Town Duties are alike injurious to the general trade and to the towns immediately affected, and ought to be confined to a few articles of local consumption, such as ghee, firewood, fowls, eggs, and animals for slaughter, which do not enter into the general trade of the country. Your Committee have submitted to Government a Statement showing the Municipal Revenue, of each of the twelve Municipalities of this Presidency, above referred to, the amount of the revenue which is derived by each from Town Duties, the principal articles entering into the general trade of the country on which these duties are levied, and the rate of duty levied upon these articles, with remarks against each Municipality, showing how the restrictions in nearly every case have the effect of converting the so-called Town Duties into Transit Duties. And they have at the same time taken the opportunity which the approaching revision of the "Bombay Municipal Act of 1872" presents, to urge upon His Excellency the Governor in Council the expediency of abolishing, not only in the Bombay Municipality, but in all the Municipalities of the Mofussil of this Presidency, in accordance with the principles of Municipal taxation defined by the Government of India, all octroi or town duties on articles which enter into the general trade of the country, and of confining the tax to a few articles of local consumption, such as ghee, firewood, fruit, &c., as abovementioned. They have also submitted the whole papers to the Manchester Chamber of Commerce, with a request that it will represent the matter to the Secretary of State and co-operate with this Chamber in procuring the abolition of these duties,—for it is of little use complaining of imperial customs duties, if we do not also see that these inland duties are abolished.—(*Appendix* K.)

COTTON FRAUDS ACT.

By a Notification, dated 2nd March 1874, His Excellency the Governor in Council was pleased to appoint a Commission composed of—

The Honourable A. Rogers, President,
E. W. Ravenscroft, Esq.,
The Honourable Narayen Wassoodeo,
H. P. LeMesurier, Esq., and
E. M. Fogo, Esq.,

to enquire into the working of the Cotton Frauds Act with a view to advising Government as to the expediency of retaining the said enactment either in its present or a modified form. The majority of the Commission, Mr. Ravenscroft dissenting, was of opinion that the time had arrived when the Act might be placed in abeyance. "The days of enormous "prices for East Indian cotton," the Commissioners remarked, "passed away, probably never to return, with the close of the "American War, and with them the unusual temptations to "adulterate the staple which the provisions of the Act were "meant to counteract, but it would probably be advisable to "retain the Act on the Statute Book in case any tendency to "fraud should hereafter develop itself in such a shape as to "endanger the loss of the great export trade of the country, a "loss which would be nothing short of a national calamity. "To meet deliberate cases of fraud the provisions of the "Indian Penal Code are apparently ample."

It was, however, with much regret that your Committee learned that, contrary to this recommendation of the Commission, the Secretary of State had resolved to maintain the Act. The subject was discussed at a Public Meeting of the Mercantile Community of Bombay, European and Native, held in the rooms of the Chamber on the 11th September.

At this Meeting, the following Resolution was passed, with only one dissentient, viz. :—

> "That the Secretary of State for India having re-
> "solved to maintain the Cotton Frauds Act,
> "contrary to the recommendation of the Com-
> "mittee appointed by the Bombay Government
> "to inquire into the subject, this Meeting desires
> "to record its protest against a policy which
> "continues to burden the trade with an unneces-
> "sary tax."

This Resolution was embodied in a Memorial which your Committee have forwarded through the Government of Bombay to the Secretary of State for India in Council.

It may here be observed that the Government of India, by its Resolution dated 11th November 1874, abolished the appointment of Commissioner of Cotton and Commerce with the Government of India. Among the reasons given by the Government of India for taking this step was the following: "It is no doubt an object to maintain a high standard "in this article of produce (Cotton), and to encourage it to "acquire a good reputation in the English market, but "it is equally an object to secure and maintain a "good reputation for many other articles of Indian "production, such as tea, tobacco, indigo, jute, and silk. "These and other articles have not, however, enjoyed the "protection of a Special Commissioner, but are left to "private enterprise stimulated by the encouragement of the "local and supreme Governments. There is no reason "why Cotton should, now that the trade has found its "normal level, continue to be treated exceptionally."— (*Appendix* L.)

WATER SUPPLIED TO THE SHIPPING.

A representation was made to your Committee, in April last, by a member largely representing the shipping interest, that the sickness, which was then prevailing to an unusual extent in the harbour, was believed to be attributable to the impurity of the water supplied by the Master Attendant's Department. Your Committee thereupon wrote to the Municipal Commissioner detailing such circumstances as had come to their knowledge, and requesting that the whole matter be enquired into, and such steps taken as would place the purity of the water supplied to the shipping beyond the possibility of doubt; and that in the meantime he would refuse to allow water to be obtained from any pipe that had any connection whatever with, or was used in flushing any night-soil pipe, or water that was likely to become polluted from the proximity of sewage. The Municipal Commissioner, in his reply, was good enough to explain exactly, for the information of the Chamber, what the arrangements for supplying water to the Shipping are, and to append a copy of a letter which he had at the same time addressed to the Health Officer, showing that the matter was receiving his attention.

Your Committee, however, regret to have to report that the results of the analysis of the Chemical Analyser to Government of several samples of Vehar water submitted to him by the Port Trust, which showed a progressive increase in foulness from the Carnac Bunder to the ships, led him to suspect contamination with sewage. Dr. Gray concluded that the amount of organic matter in the water is so great that not only the water from the barges and ships, but also that from the Crawford Market and the Carnac Bunder, should be condemned absolutely as unfit for drinking purposes. The Trustees, in forwarding Dr. Gray's analysis and report, for

the information of the Chamber, stated that they had requested Government to appoint an officer to make a further analysis, and to enquire into the causes of the impurities of the water in the pipes, in the barges, and in the ship; and they added that the Municipal Commissioner was also prosecuting further enquiries.—(*Appendix* M.)

GENERAL MANIFESTS IN WHICH AGENTS OF VESSELS ARE ENTERED AS CONSIGNEES OF THE ENTIRE CARGO.

The Special Committee, composed of Mr. H. Maxwell, Chairman, and Messrs. Graham, Henry, Watson, and J. Y. Lang, appointed, as mentioned in last year's Report, to consider the regulations under which despatch in discharging could be allowed to steamers, had under consideration the correspondence ending with letter No. 4,483, dated 21st August 1874, from the Chief Secretary to Government, stating that His Excellency the Governor in Council was unable to authorize the Commissioner of Customs to continue the practice of accepting the "General Manifest," in which the Agents of steamers are entered as the consignees of the entire cargo. The Special Committee reported that the present system of accepting the General Manifests could not be stopped without seriously inconveniencing the trade of the Port. The Act did not appear to them to require that the name of the consignee of cargo should be stated in the Manifest; but, as His Excellency in Council thought otherwise, they were of opinion that the difficulty would be overcome by the owners of steamers which require dispatch leaving a responsible Agent at the Port. The Special Committee saw no direct remedy, but in an alteration of the Act; and, in the meantime, they suggested

that your Committee should press upon Government the necessity of authorising the Commissioner of Customs to continue to act as at present, but to guard himself by taking a guarantee from the Agents of the vessel for any just claim that might arise.— (*Appendix* N.)

RAILWAY CARTING AGENCY, &c.

Further information respecting the Railway Terminal and other charges having been furnished to your Committee, they convened a public meeting of merchants, which was held in the rooms of the Chamber on the 9th December last, to discuss the questions of the Railway carting arrangements, terminal charges, and station accommodation. At this meeting, which was numerously attended, the following Resolutions were passed unanimously :—

1.—That, in the opinion of this meeting, steps should be taken to lay before Government and the Railway Companies the views of the mercantile community with respect to the carting arrangements of the Railway Companies and the excessively high terminal charges levied by the G. I. P. Railway; also to secure proper station accommodation for goods in Bombay.

2.—That, as the attention of Government has been recently directed to the Railway carting arrangements in this Presidency, and as the G. I. P. Railway carting contract expires next month, the present time is particularly suitable for making known the opinions of the merchants on the subject.

3.—That, while not disapproving of the employment of carting agencies on terms fair to the trade, this meeting is of opinion that merchants should always have the option of taking their own goods to or from the station, and that, when the carting agencies are not employed, no charge ought to be made for the benefit, or towards the maintenance of such agencies, inasmuch as the Companies should provide station accommodation and

receive and deliver goods at the stations in return for the terminal charges which they levy.

4.—That the trade of Bombay has been unfairly burdened by the G. I. P. Railway Company during the last few years; for, although the Company has from time to time succeeded in reducing greatly the rates paid to its carting contractor, (the rates now paid being less than half of what they were in 1870), yet the charges to the public for carting (the payment of which is, in the case of cotton, still compulsory, whether the consignees wish to have the cotton carted or not), have not been lowered at all. That the imposition by the G. I. P. Railway Company, for its own benefit, of such a heavy tax on the trade is, in the opinion of this meeting, a mistaken policy tending to injure not only the interests of Bombay as a mercantile city and seaport, but also those of the Railway Company, inasmuch as vexatious and heavy imposts will undoubtedly help still further to curtail the trade of the port.

5.—That, as "terminals" are charged on all goods arriving in Bombay, the Companies are in justice bound to provide cranes and other proper accommodation for the unloading of the waggons, the storage of goods, and the loading of carts, so that the heavy losses now incurred, particularly by cotton merchants, through the complete absence of such accommodation, may be avoided in future.

6.—That the following gentlemen be requested to act in concert with the Committee of the Chamber of Commerce, as a Special Committee, to make representations in the proper quarter, and to take generally on behalf of this meeting whatever steps they may deem best with the view of obtaining a remedy for the grievances complained of, and securing for the mercantile community fair treatment at the hands of the Railway Companies :—The Hon. J. K. Bythell, Nanabhoy Byramjee Jeejeebhoy, Vizbhoocundas Atmaram, Khutao Maconjee, and Sorabjee Shapoorjee Bengalee, Esqrs.

7.—That the Committee do not confine their enquiries simply to the Carting Agency question, but look carefully also

into the whole question of Railway freights charged by the G. I. P. Railway, and make the necessary representations to Government on the subject.

The G. I. P. Railway Company, it will be remembered, discontinued their delivery service, on 1st February 1875, for goods brought by them into Bombay or Byculla, consignees being required to make their own arrangements to take delivery at the stations and sidings. New Terminal charges were at the same time introduced, the Terminal charge at Bombay on cotton being reduced from Rs. 3-15-0 to Rs. 2-7-1 per ton.

The whole question, which has had the careful consideration of your Committee, will doubtless receive from their successors in office the attention which its great importance demands. In the meantime, it is satisfactory to record that a considerable reduction in the rates for grain and seeds booked to Bombay from certain stations, having effect from 1st September last, was made by the G. I. P. Railway Company.—(*Appendix* O.)

TRADE ROUTES, AND THE PROSPECTS OF TRADE BETWEEN BURMAH AND WESTERN CHINA.

A communication was received in October last, from His Excellency the Viceroy, stating that it was in contemplation shortly to despatch a party of British officers to Yunan for the purpose of reporting upon the trade routes, and the prospects of trade between Burmah and Western China, and requesting to be favoured with any suggestions which the Chamber might desire to offer on the subject of the development of trade between the two countries, or on any matters of commercial interest to which the attention of the officers should be devoted. Your Committee consulted

several Members of the Chamber, but they were unable to offer any suggestions on the subject, Yunan, and the country around it, being quite out of the way of the trade of this Presidency, and altogether unknown here.

REGISTRATION OF PARTNERSHIPS.

The further communication submitted by the Chamber on 30th June 1874, to the Government of India, failed to induce His Excellency the Governor-General in Council to alter his decision on this subject. The Government of India adhered to the reply which they had previously given that they are not prepared to support any system of compulsory registration until the want of it has been shown to be causing mischief to people of ordinary prudence, and until a system shall have been devised which will not embarrass ordinary commercial business, or interfere with ordinary family arrangements.—*(Appendix* **P.***)*

OVERLAND MAIL SERVICE.

The Peninsular and Oriental Company's Mail Steamers have been running between Bombay and Suez with great regularity, an accident having occurred only to the S. S. Kashgar, which left Bombay with the Indian Mails on the 11th September 1874, and was picked up disabled, in the Red Sea, by the Company's S. S. Zambesi, and towed to Suez. The Kashgar, however, arrived at Suez within the contract time. But accidents to the Company's Steamers on the other side of the Suez Canal have been of more frequent occurrence, and the circumstances connected with the detention at Suez, for six days, of the English Mails of the 16th October last, formed the subject of a complaint which your Committee deemed it to be their duty to make to Her Majesty's Postmaster General. The correspondence which

ensued between the Postmaster General and the Directors of the P. and O. Company elicited the fact that, by the terms of their contract, the Company are not required to send on the Brindisi portion of the mails without waiting for the packet from Southampton, in the event of the latter failing to arrive at Suez in due course. His Lordship urged the Company to come to such an arrangement as would prevent a delay of the Brindisi portion of the Mails in future cases like that which occurred in October last, by the break-down of the Southampton Steamer; but, much to his regret, he failed to obtain any satisfactory assurances in this respect from the Company.—*(Appendix Q.)*

THE PORT TRUST.

The Budget for the year ending 31st March 1876, estimates the expenditure of the Trust at Rs. 15,78,707-9-11, and the income at Rs. 13,89,677-14-1, showing a deficit of Rs. 1,89,029-11-10.

The expenditure includes interest payable to Government on 1st April 1876, viz.:—

					Rs.	a.	p.
On Capital of Port Trust Rs. 211,71,786-13-7 at 4 o/o.					846,871	7	7
On ascertained Deficit on Revenue account from 26th June 1873 to 31st March 1874.....Rs.	164,861	7	3				
On estimated Deficit on Revenue account from 1st April 1874 to 31st March 1875.....Rs.	185,623	5	11				
On estimated excess of expenditure over receipts on account of New Works, less estimated receipts, and excess of receipts for stores and plant sold, &c., over expenditure.....Rs.	371,188	14	2				
Rs.	721,673	11	4	at 4½ o/o	32,475	5	0
				Rs.	879,346	12	7

DEPARTMENTAL ENQUIRIES INSTITUTED BY THE PORT TRUSTEES INTO THE CONDUCT OF PILOTS IN CASES OF COLLISION.

The circumstances connected with an Enquiry instituted by the Port Trustees into the collision between the Steamer Navarino, and the Ship Pearl of India, were submitted for the consideration of your Committee. It was represented that, in cases of collision, caused by one vessel whilst in charge of a pilot to another in compulsory pilotage waters, the vessel causing damage is freed from liability, unless the offending vessel was in any way in fault through the action of the master, or crew, or deficiency of equipment: that it was, therefore, of the greatest importance to the injured vessel that the facts elicited at the Enquiry should be available without delay; and that in this case over six weeks had elapsed from the time of the first request of the parties interested, and the placing at their disposal the evidence brought before the Court of Enquiry. Your Committee, in submitting the circumstances of this Enquiry to Government, requested that the evidence elicited at such courts should be made available to the parties interested without delay, that means might be devised which would accelerate the giving of decisions in similar cases, and that the proceedings might be made public. Government, in reply, observed that the Enquiry referred to was not a Court of Enquiry, but a departmental Enquiry instituted by the Trustees into the conduct of the pilot, and that the question as to how far the proceedings at Enquiries of this nature should be made public must be left to the Trustees to decide. The Trustees, by a Resolution dated 3rd June last, decided that the evidence elicited at such Enquiries might be given to the parties, and it was not clear what more they could need, or of what avail to them the decision of the Port Trustees would be, for that decision does

not settle the Civil question, nor does it affect the Court of Admiralty. His Excellency in Council, however, concurred with your Committee that the evidence elicited at such Enquiries should be furnished to the parties interested with as little delay as possible, and the Trustees of the Port, he added, would be informed accordingly.—(*Appendix* R.)

NEW FEES LEVIED BY THE PORT TRUSTEES ON BOATS TAKING SHELTER IN THEIR BASINS.

A Petition signed by 418 merchants and boat-owners, and addressed to the Port Trustees, was sent, in October last, to the Chamber for its information. The Petitioners represented the injury that would be done not only to their individual interests, but to the trade of the Port generally, by the levying of the fees which the Trustees had notified they would enforce, from the 7th October 1874, on all boats entering the Port Trust bunders, whether loaded or empty, that come from other basins or bunders. Your Committee forwarded a copy of this Petition, for the consideration of His Excellency the Governor in Council, bringing to his notice, among other things, that the levying of the proposed fees on boats merely resorting to the basins and bunders of the Trust, as places of shelter for the night—which they had hitherto been accustomed to do without charge—would result in serious inconvenience to the trade of the Port, and that its tendency would be to destroy full and fair competition, during the S. W. Monsoon months, among the owners of private wharves, and among landing and shipping agents, whose capital in their undertakings, moreover, had been invested on the faith of rights which immemorial usage had conferred. The reply of the Government exemplifies the narrow and illiberal policy which it has

adopted in the conduct of the Port Trust, and its antagonism to the general trading interests of the Port. "Government "saw no reason why the Trustees should be debarred from "receiving rent for the use of their basins. Any private "company would do the same, and the mere fact that Go- "vernment omitted" (for a period, it should have been stated, of upwards of 200 years) "to charge any rent before the "Port Trust was created, was no reason for the Trust omitting "to obtain revenue which the Government, for want of "proper organization, did not collect."—*(Appendix* **S.***)*

GUARANTEES TO DELIVER SHIPS' MANIFESTS WITHIN 24 HOURS SUBSEQUENT TO THE DEPARTURE OF THE VESSEL.

The following is an extract from a Resolution of the Government of India, dated 9th April 1875:—"In Bombay, "where the compilation of Export Statistics is based on the "ship's manifests, it is essential that provision should be "made, for the receipt of these manifests, either prior to "the departure of the ship, or within 24 hours subsequent "to her departure. It is understood that it frequently "happens that owners and agents of vessels, though "guaranteeing to deliver the manifests within 24 hours, and "obtaining clearances on such guarantee, nevertheless fail "to file the manifests for periods extending at times to 15 "or even 20 days. Should such a practice obtain, it must "be rigidly repressed, and no clearance subsequently "granted except after receipt of the manifest to any agent "or owner who has once failed to deliver the manifest "according to guarantee."

In consequence of this Resolution, the Commissioner of Customs issued a Departmental Order, No. 1473, dated

15th May last, of which the following is an extract:—"The "Commissioner understands that the practice has crept in "of admitting guarantees in cases of sailing vessels and even "country craft, and this practice should forthwith be "discontinued. Guarantees are only to be admitted under "particular circumstances such as in the case of Mail "Steamers, and the penalty of non-fulfilment of the guarantee "should be strictly enforced."

Your Committee, considering it to be of great importance to the shipping interests that steamers and sailing vessels, bound for Foreign Ports, should have the privilege, as heretofore, of clearing under guarantee to deliver the manifests within 24 hours after the vessel's departure, urged the Commissioner to cancel the order, which would have the effect of causing delay, expense, and inconvenience. The Commissioner decided that, as the Government of India had not objected to the practice of allowing guarantees for delivery of Manifests within 24 hours after the departure of the vessel, the order referred to did not interfere with this concession in the case of steamers; but he saw no reason why it should be allowed to sailing vessels, which lie in the harbour for weeks and days together, for if the printed directions on the back of the Export Shipping Bills were observed, there would be no difficulty in producing all the necessary papers at the time of applying for Port clearance. Your Committee again pressed for the concession being granted to sailing ships, pointing out that they cannot leave at all hours of the tide, and that occasionally all papers cannot be ashore by the early hour the Custom House closes, so that by refusing clearance under guarantee a ship might not get away by the next morning's tide; but the Commissioner would not alter his decision.—(*Appendix* T.)

MERCANTILE MARINE LAW.

Various suggestions made by the Government of Bengal to the Government of India, and submitted by the Government of India to the Government of Bombay, for the improvement of the existing Marine Mercantile Law, were forwarded to the Chamber for its opinion. These were considered by a Special Committee, presided over by Mr. Hamilton Maxwell, whose report was adopted by your Committee, and sent to Government. Government, in its Resolution upon this and other reports on the same subject, remarked that the suggestions of the Chamber should be commended to the attention of the Government of India in view to their consideration in connection with the Shipping Bill now awaiting final action by the Legislative Council of the Governor-General; and that it should be stated that, whatever legislation may be determined upon, it should be clear both in the letter and spirit, so as to admit of no possible misapprehension of the scope and powers of Marine Courts of Enquiry.—(*Appendix* U.)

PROPOSAL BY THE SHIPPING MASTER FOR CHECKING DESERTION BY ASIATIC SEAMEN.

In November last, Government requested an expression of the views of the Chamber on a proposal made by the Shipping Master, with a view to checking desertion by Asiatic seamen from vessels in this Port. This proposal was circulated among the Members of the Chamber, and, in accordance with their opinion, Government was informed that the suggestion was a very good one, and worthy of support; that desertion among Lascar crews is becoming more general every day, and that small ship-owners must

be great sufferers, as the men desert only when they get a month's advance of wages, which is always received in cash.—(*Appendix* V.)

THE NATIVE PASSENGER SHIPS BILL, 1875.

On the 28th July 1874, a communication was received from Government stating that the attention of His Excellency the Governor-General in Council had been directed to the question of framing rules for defining the space that should be allowed, under clauses 2 and 3 of section 12 of Act XII. of 1870, and section 3 of Act XII. of 1872 (the Native Passenger Ships Acts), to each passenger for voyages in Indian seas in the monsoon and in fair weather, and that it was proposed to make the following rules in regard to coasting voyages, viz. :—

(1.) That at all seasons 9 feet be allowed for a between deck passenger, with, in the north-eastern monsoon, 4, and in the south-western monsoon, 6, feet upper-deck accommodation for air and exercise.

(2.) That for a deck-passenger 9 feet be allowed in the north-eastern monsoon, and 12 feet in the south-western monsoon.

The views of your Committee on this proposal were sent to Government.

In the month of February following a copy of the Native Passenger Ships Bill, 1875, as settled by the Select Committee of the Council of the Governor General of India for making Laws and Regulations was received with a request that Government might be favoured with the opinion of the Chamber on its provisions.

A Special Committee composed of Captain Henry, Chairman, and of Messrs. J. A. Shepherd and W. Gordon, was appointed to consider the Bill; and Mr. Kitteridge, upon whose suggestions, when in Calcutta, the Bill in the form submitted was framed, was invited to meet them. This Committee having offered their opinion upon the proposed Bill, recommended that, as there was every probability of the Merchant Shipping Bill (Mr. Plimsoll's), then before Parliament, passing through both Houses and receiving the Royal assent in the late Session, and as that Bill contained many provisions in Marine Mercantile Law which could with great advantage be adopted in India, the further consideration of the proposed Native Passenger Ships Bill, 1875, by the Council of the Governor-General, be postponed until the Merchant Shipping Bill, then before Parliament, became law, after which the Chamber should again have an opportunity of considering the proposed Bill, in any form that the Council of the Governor-General might be pleased to bring it forward. Your Committee, adopting the report of the Special Committee, submitted it to Government.—*(Appendix V 2.)*

ILL-TREATMENT OF LASCARS ON BOARD SHIPS BOTH BRITISH AND FOREIGN.

Certain papers relative to the ill-treatment experienced by the Indian native crews of the ships *Emily Augusta*, *Jorawar*, and *Eurydice*, were forwarded by the Secretary of State for India to the Government of India, who again forwarded the same to the Government of Bombay for its opinion on the question of the terms under which such seamen are engaged in India for voyages on board both British and Foreign ships, and for any suggestions which might commend themselves to His Excellency for securing greater protection to seamen of this class. The

question was referred by the Government of Bombay to the Chamber for its opinion, which will be found in the Appendix.—(*Appendix* W.)

LIGHTHOUSES AT CAPE COMORIN AND MUTTUM.

A note, embodying the opinions of several authorities as to the necessity of providing Lighthouses at Cape Comorin and Muttum, was forwarded to the Chamber, with a request that the Government of India might be favoured with its opinion on the following points, viz. :—

(1).—Are two first class lights really necessary for the southern extremity of the Peninsula ? or

(2).—Would one first class and one third or fourth class light suffice ? or

(3).—Would a single first class light suffice ?

(4).—The exact locality or localities where the light or lights should be placed ; and

(5).—The height of the light or lights above mean sea level, necessary to secure fully the objects which should be attained.

Your Committee were indebted to the Superintendent of the P. and O. Company, and to the Agents of the British India Steam Navigation Company, for very valuable and interesting reports on the points submitted, with which they coincided, and which they transmitted to the Government of India.—(*Appendix* X.)

CULTIVATION OF JUTE IN THE BOMBAY PRESIDENCY.

An interesting report from Dr. Gray, the Secretary and Curator of the Victoria and Albert Museum, submitting

three specimens of Jute fibre, was forwarded to the Chamber with a request that Government should be furnished with a report upon the fibres.

The specimen marked No. 1, resembled the Jute produced in Guzerat, where it is used for the manufacture of common twine and gunny cloth, which are sometimes sent for sale to Bombay. On this specimen Dr. Gray remarked that the wild *Corchorus Olitorius*, or Jute plant, from which it was produced, springs up everywhere in Bombay during the rainy season : it is much cultivated by the poorer classes as a pot-herb, and when grown on good soil and in a sheltered situation, will, if allowed, reach a height of 7 or 8 feet. The present specimen of Jute, No. 1, was obtained from some plants which, sown for pot-herbs, had been neglected and allowed to grow to their full height. An inspection of the specimens sent (in Dr. Gray's opinion) showed conclusively that the indigenous Jute plant of Western India can not only be successfully cultivated for fibre in Bombay and in the Konkan, but that it will also compare with the produce of the plant cultivated in Bengal, of which a specimen, that marked No. 2, was also sent.

The specimen marked No. 2 appeared to your Committee to be Bengal Jute, but not of the best quality.

The specimen marked No. 3 was the best of the three. It was obtained from an annual plant of the Natural order *Malvaceæ-Malachra Rotundifolia*. It was originally a native of Brazil, but now grows abundantly in waste places in Bombay during the rains. It attains a height of from 5 to 6 feet, but, by a little care in its cultivation, it can easily be made to grow a much greater height, and the quality of its fibre would, at the same time, be improved. Dr. Gray

considered it to be a fibre possessing valuable qualities for the manufacture of textile fabrics, and one which fully merits further development, and in this opinion your Committee, with some qualification, concurred. But it appeared to them that all three specimens were short and brittle in the staple or grain, and could hardly be used without being mixed with better qualities of fibre.

Dr. Gray is not aware that this fibre has ever before been noticed, and he justly considers the fact that Jute can be grown in Bombay to be a most important discovery. Your Committee, in forwarding their report upon the specimen to Government, recommended Government to encourage the cultivation of Jute in every possible way, as there seems little doubt that the soil of the Bombay Presidency is suitable for it.—(*Appendix* Y.)

SUN-FLOWER OIL.

A sample of this oil received from Mr. Fretwell, Superintendent of the Model Farm at Bhadgam, in the Kandeish Collectorate, was forwarded by Government to the Chamber with a request that the Chamber would favour Government with an opinion as to its mercantile value, and on the prospect of a demand for it arising, and its becoming an article of export. Your Committee sent the sample to Messrs. Smith, Fleming and Co., London, who were kind enough to have the same valued by their brokers. The valuation was given at £28 per ton, but this must be regarded as, to a certain extent, nominal, as it was some considerable time since this description of oil had been imported, and it would require a trial shipment of about 10 tons to determine its commercial value. Upon this, Government observed that about 1,000 lbs. weight of Sun-flower seed had been raised

this season, by the Superintendent of the Model Farm; but, with the ordinary oil presses available, it took 100 lbs. seed to produce 1 gallon of it, and the cost of the process was Rs. 7-8, at which price the oil would be utterly unsaleable. The experiment had, therefore, failed.—(*Appendix* Z.)

REFUND OF MEASUREMENT FEES.

At the instance of the Special Committee for the measurement of cotton, &c., the following Rules were brought into force from the 18th August 1875 :—

1. No refund of measurement fees will be allowed for sums under one Rupee.
2. No claim for refund will be allowed, unless presented within one month from the date of vessel's departure.

In the Custom House, the rule is not to allow refunds unless applied for within three days after the vessel's departure, and in giving, therefore, one month, the Committee felt they were acting liberally.

When these Rules were proposed in August, claims were being presented for sums of eight and ten annas for refunds on passes made in March and April last, and, in order to check their accuracy, search had to be made through the Custom House documents, causing trouble and loss of time to both the Custom House and the Chamber's clerks.—(*Appendix* AA.)

MISCELLANEOUS.

Numerous references have been made to your Committee during the past year, on points connected with the mer-

cantile and shipping interests of the Port, which were considered and disposed of in the usual manner.

The income for the past year considerably exceeds the expenditure, but this is owing to the transfer from the Measurement Fee Account to the general funds of the Chamber of Rs. 6,400, being Head Office charges, at the rate of Rs. 100 per month, in connection with the measurement scheme from its commencement. This charge has been hitherto omitted: it will continue to be made at the same rate, viz., Rs. 100 per month in future. The balance in favour of the Chamber, in account with the New Bank of Bombay, Limited, on 6th October 1875, was Rs. 7,567-14-0, which will be increased by Rs. 6,400 due from the Measurement Fee Account, as soon as the position of that account enables the Committee to transfer the amount.—(*Appendix* A.)

Your Committee have only now to tender their thanks to the Members of the Chamber for their ready attention to all matters on which they have had occasion to consult them; and to express their acknowledgments to His Excellency the Governor of Bombay in Council for the courtesy and attention with which their representations have on all occasions been received.

Chamber of Commerce, Bombay,
16th October, 1875.

APPENDIX A.

FUNDS OF THE BOMBAY CHAMBER OF COMMERCE FOR 1874-75.

Disbursements.	Amount.	Receipts.	Amount.
	Rs. A. P.		Rs. A. P.
Rent	1,680 0 0	Balance at the Credit of the Chamber as shown in last Year's Account at the New Bank of Bombay, Limited	9,293 6 1
Printing	2,465 12 0		
Advertisements	376 12 11		
Newspapers and Books	965 10 4	Subscriptions and Publications	20,000 4 0
Postage and Receipt Stamps	209 0 6		
Office Salaries, Telegrams, and Petty Charges, &c.	781 9 1	Realized by Sales of Daily and Weekly Trade Returns and Manifests	2,011 9 0
Stationery	480 4 11		
Daily and Weekly Trade Returns and Manifests :—			
Salaries, Stationery and Petty Charges... Rs. 3,364 1 4		Do. Miscellaneous Receipts for Stamping Callipers, &c.	29 10 0
Printing ... „ 6,443 12 0		Amount due from the Measurement Fee Account for Head Office Charges in connection with the Measurement Scheme from its commencement on 19th May 1870, to 30th September 1875, at Rs. 100 per Month	6,400 0 0
	9,807 13 4		
Balance	13,967 14 0		
Total.....Rs.	37,734 13 1	Total.....Rs.	37,734 13 1
		Balance, viz., in the New Bank of Bombay, 6th Oct. 1875 ...	7,567 14 0
		Due from Measurement Fee Account	6,400 0 0
			13,967 14 0

MEASUREMENT FEE ACCOUNT FOR 1874-75.

To Disbursements, Salaries, Printing, Advertising, &c., and Stamped Cheques .....Rs. 19,068 1 6		By Balance as per last account	23,978 5 4
„ Establishment for September. ..... „ 1,780 12 11		„ Receipts from Fees	22,383 4 6
		„ Interest on Fixed deposit Rs. 15,750 for one year at 5 per cent. received 27th October 1874	787 8 0
„ Total Disbursement for the year ending 30th Sept. 1875 ...	21,748 14 5	„ Monthly deposit on account of guarantee of a second class passage to England to Gunner Richard Johnstone	80 0 0
To amount due to the General Account of the Chamber for Head Office Charges in connection with the Measurement Scheme from its commencement on 19th May 1870 to 30th September 1875, at Rs. 100 per Month	6,400 0 0		
	28,148 14 5		
To Balance	19,080 3 5		
Total.....Rs.	47,229 1 10	Total.....Rs.	47,229 1 10

Note.—On this account Rs. 20,000 is lodged with the Mercantile Bank on Fixed Deposit, which, with interest at 5 per cent. for one year, falls due on the 26th October 1875.

APPENDIX B.

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REVISION OF THE CUSTOMS' TARIFF.

BENGAL CHAMBER OF COMMERCE, CALCUTTA, *6th October*, 1874.

The SECRETARY of the CHAMBER of COMMERCE, Bombay.

SIR,—I am directed to inform you that the representation made by this Chamber in August last year to the Government of India for a revision of Customs' Tariff valuations for duty has been again urged upon the consideration of the Governor-General in Council, and it is hoped that the renewed application will result in the appointment of a Commission.

In anticipation of that measure being adopted, your Chamber will no doubt carefully consider what amendments are required in the interests of your trade, and be prepared to submit them promptly to the Commission for investigation.

It is not improbable that the attention of the Commission may be directed to the position generally of the trade in cotton manufactures imported from the United Kingdom which are, to some extent, prejudicially affected by local productions unfettered by fiscal charges, and to the question whether cotton goods and yarn thus competing with British imported manufactures burdened with Customs duties should not be subject to duties of excise.

The abolition of all import duties on cotton goods and yarn has been pressed on the attention of Government by the Manchester Chamber, I belive you have already considered the subject, and shall be glad if you will favour me with the result of any discussion on the question.—I have, &c.,

H. W. J. WOOD, Secretary.

BENGAL CHAMBER OF COMMERCE, CALCUTTA, *23rd September*, 1874.

E. F. HARRISON, Esq., Offg. Secretary to the Government of India, Financial Department.

SIR,—In their letter dated the 20th August of last year, the Committee of the Chamber of Commerce submitted a representation relative to the revison of the tariff of fixed valuations for assessment of Customs duties, and expressed a hope that the Governor-General in Council would be pleased to accept their assurances that the changes which had been gradually introduced into the trade since the valuations were fixed in 1869 were of such a nature as to justify a further revision, consistent alike with the interests of merchants and a right regard for the public revenue.

To that representation the Committee have had no reply, but they learn indirectly from the recent publication of a letter dated 15th May last, addressed by the Government of India to Her Majesty's Secretary of State, on the subject of a Memorial from the Manchester Chamber of Commerce concerning duties levied in India on

cotton manufactures and yarn, that the subject had been under consideration, and that possibly a Committee would be convened in the ensuing cold season for the purpose of revising the existing tariffs.

The Committee have not earlier pressed this subject on the attention of Government as they hesitated to do so while graver and more urgent questions were under consideration, but the communication referred to induces them to again place before the Government the application submitted by them a twelvemonth ago.

In renewing the request then made, the Committee desire me to state that they are prepared to recommend various amendments in the tariff which they believe will be in unison with the changes which the market has undergone, and with the present and probable future range of values.

As Piece Goods and Yarn constitute the bulk of the import trade they are taken for the purpose of comparing the market and tariff values, and the following figured statements will, the Committee think, suffice to satisfy the Government that there are sufficient grounds for such an amendment of the latter as will bring them more in accord with actual values.

In the 12 months ended 30th June 1874 the imports of Grey Shirting cloth and Yarn were as follows:—

CLOTH.

6 lb. Shirtings...	...	653,834 Pieces	=	3,923,004 lb.
6½ ,,	...	280,284 ,,		1,821,846 ,,
7 ,,	...	1,411,828 ,,		9,882,796 ,,
7½ ,,	...	769 930 ,,		5,774,475 ,,
8 ,,	...	181,265 ,,		1,450,120 ,,
8½ ,,	...	2,199,778 ,,		18,148,168 ,,
8½ ,,	...	505,699 ,,		4,298,042 ,,
		6,002,618 Pieces	=	45,298,451 lb.
All other weights	...	799,437 ,,		
Total of all	...	6,802.055 Pieces.		

YARNS.

No. 20 Twist	...	168 910 lb.
30 ,,	...	210,840 ,,
40 ,,	...	5,540,027 ,,
50 ,,	...	857,689 ,,
60 ,,	...	485,945 ,,
70 ,,	...	154,905 ,,
80 ,,	...	127,551 ,,
90 ,,	...	71,305 ,,
100 ,,	...	72,573 ,,
Above 100 ,,	...	96,902 ,,
Total	...	7,786,647 lb.

These figures show 1st,—that of the total imports of Grey Shirt-

ings 88 per cent. consisted of weights ranging from 6 to 8½ lb., the average weight being 7½ lb. per piece: and 2nd,—that 88½ per cent. of the total imports of Grey Yarn codsisted of Nos. 40, 50, and 60—those counts constituting the chief consuming qualities.

For the 12 months ended as above, the values of ordinary grey cloth—6 to 8½ lb. per piece—and of grey yarn—40s, 50s, and 60s—have been as follows:—

SHIRTINGS.

				6 lb.	6½ lb.	7 lb.	7½ lb.	8 lb.	8½ lb.	8½ lb.
July	1873	...	... Rs.	4 2	4 7	4 11	5 11	5 8	5 12	5 15
August	,,	...	... ,,	4 2	4 7	4 10	5 9	5 8	5 10	5 14
September	,,	...	... ,,	4 2	4 7	4 10	5 8	5 8	5 10	5 14
October	,,	...	... ,,	4 3	4 8	4 11	5 8	5 8	5 9	5 14
November	,,	...	... ,,	4 1	4 6	4 9	5 6	5 5	5 7	5 12
December	,,	...	... ,,	4 1	4 5	4 8	5 4	5 5	5 6	5 11
January	1874	...	... ,,	4 1	4 5	4 9	5 4	5 6	5 7	5 11
February	,,	...	... ,,	4 0	4 5	4 8	5 2	5 5	5 6	5 10
March	,,	...	... ,,	4 0	4 5	4 8	5 2	5 5	5 5	5 10
April	,,	...	... ,,	3 14	4 4	4 7	5 2	5 4	5 4	5 11
May	,,	...	... ,,	3 14	4 4	4 8	5 5	5 6	5 8	5 13
June	,,	...	... ,,	3 14	4 4	4 7	5 5	5 6	5 8	5 10
				48 6	52 3	54 10	64 2	64 10	65 12	69 1
Average of 12 months		...	...	4-0-6	4-5-7	4-8-10	5-5-6	5-6-2	5-7-8	5-12

At the present time these quotations are respectively— 3 8 3 14 4 0 4 15 5 0 5 0 5 7

MULE TWIST—*Medium, Banner Mill, per morah.*

				40s.	50s.	60s.
July	1873	...	Annas	5 9	5 5	5 2
August	,,	...	,,	5 8	5 5	5 1
September	,,	...	,,	5 6	5 3	4 10
October	,,	...	,,	5 8	5 8	5 0
November	,,	...	,,	5 5	5 5	5 0
December	,,	...	,,	5 5	5 4	4 9
January	1874	...	,,	5 5	5 4	4 10
February	,,	...	,,	5 5	5 2	4 9
March	,,	...	,,	5 5	5 0	4 8
April	,,	...	,,	5 5	4 10	4 6
May	,,	...	,,	5 6	4 9	4 6
June	,,	...	,,	5 5	4 9	4 5
				66 0	62 4	57 6
Average of 12 months per morah...				5 6	5 2¼	4 9½
——,,——			lb. ...	11 0	13 0	14 4½
At the present time the quotations are respectively per morah...As.				5 5	4 8	4 4
or		...	lb. ... ,,	10 10	11 8	13 0

Looking at the general gradual decline in prices which the foregoing figures show, it appears to the Committee unnecessary to do more than to close this reference by the following alternative statements which established the point they desire to urge on the consideration of Government, viz., that the tariff values are, and have been for some time, and are likely to continue, considerably in excess of actual values, and that the revenue is thereby largely increased at the expense of the trade.

The average gross value of Grey Goods as quoted above for 12 months and at the present time is	Rs.	4	12	3	per piece.
and deducting 5 per cent. for duty..... 2 ,, discount ...	,,	0	5	4	,,
the average net value is.....	,,	4	6	11	,,
or at the average weight of 7⅓ lb. per piece nearly	,,	0	9	6	per lb.
against the tariff value of	,,	0	11	0	,,

	40s.	50s.	60s.	
The average gross value of Grey Yarn is	Rs. 0 10 11	0 12 4	0 13 8¼	per lb.
and deducting 5½ per cent. for duty and discount the net values are ...	,, 0 10 4	0 11 9¾	0 13 1½	,,
against the tariff values of.....	,, 0 11 0	0 12 0	0 14 0	,,

The quantity of Grey Shirtings 6 to 8⅓ lbs. imported in the year ended 30th June 1874 amounted, as already detailed, to 6,002,618 pices, the value of which at *average of current rates* would be	Rs.	2,73,66,153
deduct duty 5 per cent. and discount 2 per cent. ...	,,	19,15,630
would leave as the total net value.....	,,	2,54,50,523
yielding 5 per cent. duty.....	,,	12,72,526
but a duty of 5 per cent. on the weight of the above 6 millions of pieces—45,298,451 lb.—valued at 11 annas per lb. would come to	,,	15,57,134
being an absolute overcharge of	,,	2,84,608

or nearly 18 per cent. in excess of the amount fairly leviable by the Customs.

The duty on Yarn also realised by the Customs has been, in consequence of high tariff valuations, largely in excess of what should have been paid by importers.—I have, &c.,

H. W. J. WOOD, Secretary.

No. 282 OF 1874.

BOMBAY CHAMBER OF COMMERCE, *27th October*, 1874.

H. W. J. WOOD, Esq., Secretary, Bengal Chamber of Commerce

SIR,—I have laid you letter dated 6th instant, before the Committee of the Chamber, and am directed to inform you that on the 7th they addressed Government again urging the expediency of appointing a Commission in Calcutta to revise the tariff valuations for duty : a copy of their letter to Government is enclosed.

The Committee will, when the Commission is appointed, be prepared with such amendments as are required in the interests of the the trade of this port.

With regard to the suggestion contained in the 3rd para. of your letter that an excise duty should be imposed on local manufactures, the question, I am desired to say, was brought before the Members of this Chamber in November last, when it was strongly and all but unanimously opposed. There certainly has been no modification since in the views of Members in favour of the imposition of such a duty, which is at variance alike with right principle and proper policy. I enclose an account of the proceedings of the Meeting of the Chamber at which the question was discussed.

But this Chamber will be happy to co-operate with yours

in any movement for the abolition of duties, both import and export, on cotton manufactures.—I am, &c.,

J. GORDON, Secretary.

No. 239 OF 1874.

BOMBAY CHAMBER OF COMMERCE, *7th October*, 1874.

The Hon'ble F. S. CHAPMAN, Chief Secretary to Government, Bombay.

SIR,—I have the honour to enclose a copy of this Chamber's letter to your address, dated 22nd September 1873, suggesting the expediency of appointing a Commission to sit at Calcutta, with representatives from Madras and Bombay, for the purpose of revising the present tariffs both import and export.

Complaints of the excess of present valuations for duty continue to be addressed to the Committee, and they desire me to ask His Excellency in Council if he will favour them with any information which he may have as to the intentions of the Government of India in regard to the appointment of such a Commission, or, if he has no such information, if he will be so good as again to urge upon the Government of India the expediency of appointing a Commission at as early a date as may be convenient.—I have, &c.,

J. GORDON, Secretary.

CHAMBER OF COMMERCE, MANCHESTER, *12th November*, 1874.

The SECRETARY of the CHAMBER of COMMERCE, Bombay.

SIR,—In January last I had the honour of forwarding to you a copy of Memorial, addressed by this Chamber, to the Right Honourable the First Lord of Her Majesty's Treasury, praying for the abolition of the duties levied on Cotton Yarns and manufactured goods on import into India.

Since that date, the Chamber has been in correspondence on the

subject with the Secretary of State for India, and, on the 4th instant, a deputation of the Directors waited upon Lord Salisbury, the present Secretary for India, and discussed with him the effect of the duties at considerable length.

On the other side, I have now the honour to hand you a copy of the reply of Lord Salisbury to the deputation; and I am directed to draw your attention to the admission then made by his Lordship, that the objection raised against the duties was right in principle, and that England ought not to maintain a duty proved to be protective: that the Government, moreover, did not look to them as a permanent source of revenue, but would be very glad if it could get rid of them.

The Chamber being strongly impressed with the evil effect of the maintenance of these duties alike on the best interests of India, and the trade of this country, would use every effort to impress upon the Government the desirability of their immediate abolition.

On behalf of the Chamber I am, therefore, directed to request the favour of your bringing this communication under the attention of your Chamber, and to express the hope, that it will use its influence to obtain the remission of these duties.

I beg further to state that a letter to the same effect has been sent to the Chambers at Calcutta, Madras, and Bengal.—I have, &c.,

THOMAS BROWNING, Secretary.

MANCHESTER CHAMBER OF COMMERCE.

INDIAN IMPORT DUTIES ON COTTON YARN AND GOODS.

Copy of the Reply made to the Deputation of Directors from the Manchester Chamber of Commerce by the Marquis of Salisbury, Secretary of State for India, 4th November, 1874.

The MARQUIS of SALISBURY said—I have some difficulty in answering your appeal, because there can be no question that in point of principle you are in the right. This duty is not one which can be defended in theory, and I do not suppose that any English Government would defend it in theory. The English Government could not speak with two voices on this subject. The principles of free trade have been accepted for a very considerable time. England urged them at every Court, and she could not willingly belie them in any dependency under her control. I quite admit, therefore, that if the revenues of India were as elastic and grew as rapidly as the revenues of England, this would be a duty whose term of life would be very short indeed, and on that ground I would be very sorry to believe that any vested interests were springing up in India that based themselves on the permanent continuance of this duty as a part of their success. If there were

any such, they were deceiving themselves. But when I come from the theoretical and logical position to the question of its practical application, I am compelled to observe that I think you a little under-rate our financial difficulties on the one hand, and over-rate the effect of this duty in raising Indian competition on the other. First, with respect to our financial position. This duty produced £800,000 a year. As I have said, the Indian revenue was not one which grew rapidly; and that was not its only peculiarity, for it had few resources to fall back upon in time of need. The income tax had been tried, but in the opinion of those that were most competent to judge it could not have been sustained, and could not, except in a very great emergency, be re-imposed in India. Political reasons dominate over all others, and it was for political reasons that that tax was felt not to be applicable to the circumstances of the country. The revenue of India has in recent years shown a very satisfactory balance, but that balance has been almost always less than the amount to which the opium duty—our great source of variation—would oscillate from year to year. Our surplus has rarely exceeded £1,500,000, or £1,600,000, and the opium duty has been known to vary as much as £2,000,000 in a single year. The Indian revenue, therefore, although not in an unsatisfactory condition, can hardly be said to be in that state of prosperity and strength that we dare at once dispense with so important a source of revenue as one which brought us £800,000. I think it a hasty assumption to say that that this revenue is dying. It is quite true that it has been diminishing, although not rapidly, during the last three or four years, but it is now at a higher point than in 1869. During the last ten years I find that the average of the duty was £746,000, my last returns gave £816,000, and therefore the duty is now at a higher point than the average of the last ten years. It seems, therefore, as if the diminution has been temporary, and I cannot admit it as an unequivocal proof that the duty is disappearing. I notice, indeed, that the import of cotton goods, in spite of these discouraging circumstances, is steadily increasing. It does not increase uniformly from year to year, but an average of ten years gave £16,000,000, while the return for 1872-3 was £17,234,000; so that it is evident that the importation of cotton goods into India cannot be said to show signs of falling off. It might not rise as rapidly as you desire or expect, but it is not checked or damaged by the operation of the duty to such an extent that it can be said to suffer. Now, as to the effect of the tax as a protective duty, perhaps it is rash for me to express in your presence a confident opinion, but I am very sceptical as to this duty having much effect in nourishing competition. Let us consider the circumstances of the case. We have heard that 25 per cent. was the handicap under which they ran this race This was the disadvantage against which we have to contend. In India there is the raw material and the labour, which is cheaper, and as regards all delicate manipulations of the hand more skilful. There appears to be nothing wanting except the coal and the capital. Well, I have just received papers which show that the great coalfield which is close to the cotton might be calculated to yield seventeen millions of tons at a depth of between 170 and 200 feet from the surface. If

this is found to be correct, there would be nothing but capital wanted to establish, not only in the island of Bombay, but in the Mofussil flourishing manufactories. I think, therefore, that we must admit the possibility of a stiff competition for the supply of the Indian market. It is hardly fair to the Indian Government to lay upon its financial policy the burden of these disadvantages which really come from a natural state of things. I have made these observations rather in deprecation of what seems to me to be the highly-coloured statement to which their own convictions had led them to give their sanction. But I have only to repeat that in theory our position was unassailable, that England ought not to maintain any duty proved to be protective. With respect to the practical course to be pursued by the Government, we undoubtedly do not look upon this as a permanent source of our revenue. We should be very glad if we could get rid of it. I do not say that it stands first on the list for reform, because there are internal custom-houses which sin more largely and flagrantly against economical laws than even protective duties; but we are anxious whenever our financial position should enable us to do so, to see this duty disappear. I can only hope that the prosperity of India will be such that the interests of both sides can be consulted in the matter.

No. 6357 OF 1874.

REVENUE DEPARTMET,

BOMBAY CASTLE, *2nd December*, 1874.

The SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—With reference to the correspondence ending with your letter dated the 7th October last, I am directed by His Excellency the Governor in Council to forward, for the information of the Chamber of Commerce, the accompanying copy of a Resolution recorded by the Government of India sanctioning the formation of a Committee for the revision of the Customs' Tariff valuations, and to request that you will be so good as to move the Chamber of Commerce to nominate a representative to sit on the Committee so as to facilitate the enquiry.—I have, &c.,

No. 6703, dated 25th November 1874.

E. JAMES,

For Chief Secretary to Government.

No. 6703.

GOVERNMENT OF INDIA.

FINANCIAL DEPARTMENT.

SEPARATE REVENUE.

Customs.

FORT WILLIAM, *25th November*, 1874.

RESOLUTION.—It has been represented to the Government of India that the values on which customs duties are assessed, as contained in Schedules A and B of the Indian Tariff Act, 1871, are in some instances in excess of the market values of the articles valued.

His Excellency the Viceroy and Governor-General in Council is of opinion that the time has arrived for the revision of the Tariff valuations, and has resolved for this purpose to appoint a Committee to enquire into and report on the subject.

The Committee will be composed of the following Members:—

President:

Mr. A. MONEY, C.B., *Member of the Board of Revenue, L.P.*

Members:

The Hon'ble J. R. BULLEN SMITH,

Mr. T. B. LANE, *Offg. Collector of Customs, Calcutta,*

and other Members who will be subsequently appointed after communication with the Governments of Bombay and Madras.

The Committee will meet in Calcutta in the first week of January next.

The Government of India would further be glad to consider the opinion of the Committee as to the propriety of removing from the Tariff any articles the retention of which may be thought unimportant in the interest of the public revenue, and the removal of which from the list of dutiable

articles would give freedom to trade, or any other cases in which from competition or otherwise the Committee may be of opinion that any of the existing export duties are seriously prejudicial to the trade in the articles subject to them.

Representations have also been made to the Government of India as to the injurious effect of the duties levied on the import of cotton goods and twist manufactured in England. The Government of India would be glad to receive a report of the opinion of the Committee on this point after enquiry into the facts.

In considering this question, the Committee will observe that the Government of India does not impose or maintain customs duties for the purpose of affording protection to any branch or class of industry, but for revenue purposes only.

E. F. HARRISON,
Offg. Secretary to the Government of India.

IMPORT TARIFF.

Number.	Names of Articles.	Per	Tariff Valuation under the Act.	Proposed Valuation.	Remarks.
			Rs. a. p.	Present Duty. Rs. a. p.	
1	Apparel, including Haberdashery, Millinery, &c.	.....	*Ad valorem*	*Ad valorem.*	
2	Arms, Ammunition, and Military Stores—				
	Gunpowder, common	lb.	0 5 0	0 4 0	The word "common" to be altered to "blasting."
	„ sporting	„	1 0 0	0 8 0 1 0 0	Sporting, loose in barrels or cases. „ in flask.
	Fire-arms and parts thereof	.....	*Ad valorem*	*Ad valorem.*	
	All other sorts, including Military Accoutrements, Uniforms, &c., but excluding Military and other Regulation Accoutrements and Uniforms imported for private use by persons in the public service	.....	*Ad valorem*	*Ad valorem.*	
3	Asphalte	ton	20 0 0	7½ per cent.	The Committee recommend this should be free, all other Cements being free, otherwise the value should be Rs. 60.
4	Beads and False Pearls—				
	Beads, China	cwt.	30 0 0	30 0 0	
	„ Common	„	28 0 0	30 0 0	
	„ Ruby, of all sizes	lb.	0 12 0	0 9 0	
	„ Seed	„	0 10 0	0 7 0	
	„ Small, Scarlet and Red	„	0 10 0	0 8 0	The meaning of "Small" to be ascertained in Calcutta.
	„ Coral (false) Moorzun	corge of 2,000 beads	0 8 0		To be included in the next item as *ad valorem*.

	All other sorts of false Corals and Beads ..	.....	*Ad valorem*		*Ad valorem.*		
	Pearls, false, Bajeria	lakh	5 0 0		5 0 0		Not imported in Bombay.
	„ Boria	thousand	1 0 0		1 4 0		
	„ Jouria...	lakh	8 0 0		8 0 0		Not imported.
	„ Nathia	thousand	0 6 0		0 6 0		
	„ Tachea	„	0 12 0		1 0 0		
	„ Wattanah	lakh	10 0 0		10 0 0		
	All other sorts	.....	*Ad valorem*		*Ad valorem.*		
5	Cabinet-Ware	.....	*Ad valorem*		*Ad valorem.*		Name to be altered, viz., "Cabinet-ware, including Furniture, Lacquered Ware and Brushes."
6	Candles, Wax, Composition and other kinds—						
	Candles, Wax	lb.	1 0 0		1 0 0		
	„ Paraffine	„	0 8 0	7½ per cent.	0 5 0		
	„ Spermaceti...	„	0 8 0		0 8 0		
	„ Composition and other sorts ...	„	0 5 0		0 5 0		
7	Carriages	.....	*Ad valorem*		*Ad valorem.*		To the name of the article the words "and parts thereof" to be added.
8	Clocks, Watches, and other Time-keepers ...	.....	*Ad valorem*		*Ad valorem.*		
9	Coffee—						
	Persian Gulf and Red Sea	cwt.	30 0 0		35 0 0		
	Other places	„	20 0 0		25 0 0		
10	Corals, Real	.....	*Ad valorem*		*Ad valorem.*		
11	Corks	gross	1 8 0		1 8 0		
	„ Vial	„	.....		0 8 0		The Committee recommend that Vial Corks should be entered separately, as here shown, and at the proposed rate.
12	Cotton—						
	Thread—						
	Sewing Thread, White and Coloured ...	lb.	0 11 0		1 0 0		
	„ „ In reels, or on cards of one hundred yards (and *pro rata* above and below) ...	gross reel	2 4 0		2 4 0		
	„ „ Goa and Country ..	cwt.	30 0 0		30 0 0		

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation under the Act.	Proposed Valuation.	Remarks.
			Rs. a. p.	Rs. a. p.	
12	Cotton—*continued.*			Present Duty.	
	Twist—				This heading to be altered as follows:—"Mule, No, 15 and under."
	Mule, under No. 15	lb.	0 6 0	0 5 0	
	Nos. 16 to 24	„	0 9 0	0 7 0	
	25 to 32	„	0 10 0	0 8 0	
	33 to 42	„	0 11 0	0 9 0	
	43 to 52	„	0 12 0	0 11 0	
	53 to 60	„	0 14 0	0 12 0	
	No. 70	„	0 15 0	0 13 0	
	80	„	1 0 0	0 15 0	
	90	„	1 1 0	0 17 0	
	100	„	1 2 0	0 18 0	
	110	„	1 3 0	0 19 0	
	120	„	1 4 0	0 20 0	
	and one anna additional for every count of ten above No. 120.			3½ per cent.	
	Water, No. 20	„	0 10 0	0 8 0	
	30	„	0 11 0	0 9 0	
	40	„	0 13 0	0 11 0	
	50	„	0 15 0	0 13 0	
	Above 50	„	1 2 0	1 0 0	
	Turkey Red Twist, all kinds	„	1 6 0	1 5 0	
	Twist, Orange, Red and other Colours ...	„	0 15 0	0 13 0	

cc 13	Piece Goods—							
	Grey—							
	Mulls..	lb.	1 1 0	5 per cent.	1 0 0			
	Jacconets exceeding 10 by 10 to the quarter inch	,,	0 13 0		0 12 0			
	Other Jacconets	,,	0 11 0		0 10 0			
	Shirtings, Madapollams, and Prints ...	,,	0 11 0		0 9 0		The words "and T. Cloths 18 by 18 and upwards" to be added.	
	Long Cloths, Jeans, Domestics, Sheetings, Drills, and T. Cloth	,,	0 9 0		0 8 0		The words "under 18 by 18" to be added.	
	Other sorts	.....	*Ad valorem*		*Ad valorem.*			
	Cotton Rope	cwt.	25 0 0		25 0 0		Not imported.	
	Cotton Goods, other kinds	.....	*Ad valorem*		*Ad valorem.*			
13	Drugs and Medicines—							
	Acid, Sulphuric	lb.	0 3 0	7½ per cent.	0 2 0			
	Alkali, Country (Sajee Khar)	cwt.	2 0 0		2 0 0			
	Aloes, black	,,	10 0 0		11 0 0			
	,, Socotra..	,,	25 0 0		25 0 0			
	Alum	,,	3 8 0		4 8 0			
	Arsenic..	,,	25 0 0		25 0 0			
	,, China, Munseel	,,	8 0 0		16 0 0			
	Assafœtida (Hing)	,,	55 0 0		45 0 0			
	,, Coarse (Hingra).	,,	10 0 0		10 0 0			
	Brimstone, Flour	,,	7 0 0		7 0 0			
	,, Roll	,,	6 0 0		6 0 0			
	,, Rough	,,	4 8 0		4 8 0			
	Camphor, Bhimsing (Barras).	lb.	50 0 0		70 0 0			
	,, Refined cake.	cwt	65 0 0		65 0 0		Not imported.	
	,, Crude, in powder	,,	50 0 0		40 0 0			
	Cassia Lignea	,,	38 0 0		30 0 0			
	Coova, Red	.....	*Ad valorem*		*Ad valorem.*			
	Copperas, green..	cwt.	2 8 0		3 0 0			
	Quinine	.....	*Ad valorem*		*Ad valorem.*		Or tariffed at Rs. 4 per oz.	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation under the Act.	Proposed Valuation.	Remarks.
			Rs. a. p.	Rs. a. p. Present Duty.	
13	Drugs and Medicines—*continued.*				
	Sal Ammoniac	cwt.	22 0 0	25 0 0	
	Salep	,,	60 0 0	80 0 0	
	Senna Leaves	,,	6 0 0	5 0 0	
	All other sorts	.....	*Ad valorem*	*Ad valorem.*	
14	Dyeing and Colouring Materials—				
	Cochineal	lb.	1 12 0	1 4 0	
	Gallnuts, Country, Myrabollam	cwt.	3 0 0	4 0 0	
	,, Persian	,,	35 0 0	25 0 0	
	Gamboge Wood	,,	20 0 0	14 0 0	
	Madder or Munjeet	,,	10 0 0	10 0 0	
	Orchilla Weed	,,	8 0 0	4 0 0	
	Saffron, Europe	lb.	16 0 0	8 0 0	Or *ad valorem*,
	,, Meadow, Soorunjun	cwt.	10 0 0	10 0 0	
	,, Persian	lb.	12 0 0	12 0 0	
	,, In cakes or lumps	,,	5 0 0	5 0 0	
	Sapan Wood and Root	cwt.	3 8 0	5 0 0	
	Aniline Dyes...	oz.	0 8 0	0 4 0	For Roscine and others *ad valorem*.
	All other sorts	.....	*Ad valorem*	*Ad valorem.*	
15	Fireworks—				
	China	box of 133⅓ lb.	30 0 0	25 0 0	
	Other sorts ... ,, ...	.....	*Ad valorem*	*Ad valorem.*	

7½ per cent.

16	Flax, Manufactures of—								
	Piece Goods	.....	*Ad valorem*		5 p.ct	*Ad valorem.*			
	Other sorts, including Linen Thread ...	.....	*Ad valorem*			*Ad valorem.*			
17	Fruits and Vegetables—								This heading to be altered as follows :—"Dry Fruits and Vegetables."
	Almonds, without shell	cwt.	25	0	0		25	0	0
	„ with shell	„	10	0	0		10	0	0
	Cajoo kernels...	„	10	0	0		10	0	0
	Cocoanuts	thousand	30	0	0		30	0	0
	„ kernel (Copra)	cwt.	9	8	0		8	0	0
	Currants, Europe	„	35	0	0		35	0	0
	„ Persian	„	12	0	0		12	0	0
	Dates, dry, in bags	„	4	0	0		4	0	0
	„ wet „	„	3	0	0		3	0	0
	„ „ in pots	„	6	0	0		6	0	0
	Figs, Europe	„	42	0	0		42	0	0
	„ Persian, dried	„	6	0	0		6	0	0
	Garlic	„	4	0	0		5	0	0
	Pistachio Nuts	„	14	0	0		20	0	0
	Prunes, Bussorah	„	12	0	0		15	0	0
	Raisins, Black, Persian Gulf, Red Sea, and Khismis	„	12	0	0		15	0	0
	Raisins, Monocka, Persian Gulf and Red Sea	„	7	0	0		7	0	0
	Raisins, Malaga and Bloom...	lb.	0	10	0		0	10	0
	„ other sorts...	... ..	*Ad valorem*				*Ad valorem.*		
	Walnuts, Akroot	cwt.	5	0	0		5	0	0
	Mangoes, dried	.....	*Ad valorem*				*Ad valorem.*		
	Prunes, Europe	... .	*Ad valorem*				*Ad valorem.*		
	Other sorts, except Bidmiskh and Buzarbuttoo Nuts, which are free	.. ..	*Ad valorem*				*Ad valorem.*		

7½ per cent.

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation under the Act.	Proposed Valuation.	Remarks.
		Rs. a. p.	Rs. a. p.	Present Duty. Rs. a. p.	
18	Glass and Glass-Ware—				
	Bangles, glass, China, gilt	100 pairs	10 0 0	6 0 0	
	„ „ „ not guilt	„	5 0 0	3 0 0	
	Glass, broken...	cwt.	5 0 0	3 0 0	Or should be struck out.
	„ China, of all colours...	133⅓ lbs.	32 0 0	32 0 0	
	„ Crown, coloured	100 supl. feet	32 0 0	25 0 0	
	„ „ of sizes	100 „ „	5 0 0	7 0 0	
	Glass, and Glass-ware of all other sorts, except Bottles, which are free	... ...	*Ad valorem*	*Ad valorem.*	The word "plain" to be entered after the word "except."
19	Gums—			7½ per cent.	
	Gum, Ammoniac	cwt.	10 0 0	10 0 0	
	„ Arabic	„	16 0 0	13 0 0	
	„ Bdellium, common Gum	„	5 0 0	5 0 0	
	„ Benjamin	„	33 0 0	35 0 0	
	„ Bysabole, coarse Myrrh	„	12 0 0	12 0 0	
	„ Copal	„	65 0 0	65 0 0	
	„ Frankincense or Olibanum	„	9 0 0	12 0 0	
	„ Gambier (or Kino)	„	8 0 0	10 0 0	
	„ Myrrh	„	24 0 0	24 0 0	
	„ Persian (false)	„	3 0 0	3 0 0	
	„ Rosin	„	12 0 0	5 0 0	
	All other sorts	... ...	*Ad valorem*	*Ad valorem.*	
20	Groceries, not otherwise described	.....	*Ad valorem*	*Ad valorem.*	

21	Hides and Skins—										
	Border Hides, prepared				each	30	0	0	30	0	0	Not imported.
	Buffalo Hides, Country, Tanned				score	80	0	0	80	0	0	
	Calf Skins				dozen	40	0	0	40	0	0	
	Chamois Skins				„	6	0	0	6	0	0	
	Roan Skins				dozen	.....			30	0	0	
	Cow Hides, Country, Tanned				score	60	0	0	60	0	0	
	Rhinoceros Leather				cwt.	40	0	0	40	0	0	
	Other sorts				.....	*Ad valorem*			*Ad valorem.*			
22	Instruments, Musical				.....	*Ad valorem*			*Ad valorem.*			
23	Ivory and Ivory-Ware—											
	Elephants' Grinders				cwt.	16	0	0	125	0	0	
	Tusks, above twenty lbs.				„	300	0	0	400	0	0	
	Tusks, ten lbs. and not exceeding twenty lbs.				„	225	0	0	300	0	0	
	Tusks, under ten lbs.				„	125	0	0	170	0	0	
	Sea Cow or Moye Teeth, three lbs. and upwards				„	225	0	0	175	0	0	
	Sea Cow or Moye Teeth, under three lbs.				„	75	0	0	60	0	0	
	Ivory, Manufactures of				.....	*Ad valorem*			*Ad valorem.*			
24	Jewellery, including Plate—											
	Silver-ware, plain				tolah	1	6	0	1	2	0	The Committee are of opinion that there should be no distinction between China and Europe.
	„ embossed				„	2	0	0	1	8	0	
	Jewellery and Plate of all other kinds, excepting Precious Stones and Pearls, which are free				.....	*Ad valorem*			*Ad valorem.*			
25	Leather and Manufactures of—											
	Leather				.....	*Ad valorem*			*Ad valorem.*			
	Boots and Shoes				.....							
	Harness and Saddlery				.....							
	Other Stores				.....							

7½ per cent.

IMPORT TARIFF— *Continued.*

Number.	Names of Articles.	Per	Tariff Valuation under the Act. Rs. a. p.	Proposed Valuation. Rs. a. p.	Remarks.
				Present Duty.	
26	Liquor—				
	Ale, Beer, and Porter..	.....		1 an. p. im. gl.	
	Cider and other fermented Liquors.. ...	.....			
	Spirits	.....		Rs. 3 do.	
	Wines—				
	Champagnes, Sparkling Wines and Liqueurs	.....		Rs 1-8 do.	
	All other sorts..	.....		Rs. 1-0 do.	
27	Matches—				
	Lucifer and all other sorts	.....			
28	Mats, Floor Matting, China of all sorts ...	hundred	50 0 0	70 0 0	Under this heading Singapore and Zanzibar Matting is not charged
29	Metals, Unwrought, Wrought, and Manufactures of—			7½ per cent.	
	Brass Beads, Googree, China.	thousand	0 12 0	0 14 0	
	„ Old	cwt.	35 0 0	35 0 0	
	„ Sheets, roll, very thin...	„	80 0 0	90 0 0	
	Copper, Australian Cake	„	41 0 0	46 0 0	
	„ Bolt	„	43 0 0	48 0 0	
	„ Braziers	„	43 0 0	48 0 0	
	„ China Cash	„	28 0 0	30 0 0	
	„ Japan	„	41 0 0	46 0 0	

Copper, Nails and Composition Nails ...	cwt.	43	0	0	7½ per cent.	48	0	0		
„ Old	„	40	0	0		45	0	0		
„ Pigs and Slabs, Foreign	„	38	0	0		43	0	0		
„ Sheet, Sheathing and Plate ...	„	43	0	0		48	0	0		
„ Tiles, Ingots, Cakes, and Bricks...	„	40	0	0		45	0	0		
„ China, White Copper-ware ...	lb.	1	4	0		1	2	0		
„ Foil, Dauk-pana, China	book of 100 leaves	3	0	0		3	0	0		
„ „ „ Europe... ...	„	4	0	0						
„ All other kinds	.....	*Ad valorem*				*Ad valorem.*				
Iron, Angle and T Iron	.....	*Ad valorem*				*Ad valorem.*				
„ Beams, Pillars, Girders, and Bridge-work	.....	*Ad valorem*				*Ad valorem.*				
„ Flat, Square, and Bolt, including Scotch	ton	80	0	0		100	0	0		
„ Hoop, Plate and Sheet	„	100	0	0		125	0	0		
„ Nails, Rivets and Washers	cwt.	10	0	0	1 per cent.	12	8	0	This item to be altered as follows: "Nails—Rose, Clasp and Flat headed—Rivets and Washers." NOTE.—These are made direct from the bar iron, and are known in Calcutta as Common Nails; but Horse-shoe Nails, Wire Nails, Tacks, &c., being specially prepared and more expensive to be charged *ad valorem*.	
„ Nails, Rod	ton	90	0	0		105	0	0		
„ Old	cwt.	2	8	0		2	0	0		
„ Pig	ton	40	0	0		50	0	0		
„ Rod, Round, British, under half inch diameter	„	105	0	0		130	0	0		
„ Rod, Round, British exceeding half inch diameter	„	80	0	0		100	0	0	This heading is unnecessary, being included in "Flat Square and Bolt including Scotch."	
„ Swedish, Flat and Square	„	120	0	0		150	0	0		
„ Rice Bowls	set of ten	3	0	0		4	0	0		

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation under the Act.	Proposed Valuation.	Remarks.
		Rs. a. p.	Rs. a. p.	Present Duty. Rs. a. p.	
	Metals, Unwrought, Wrought, and Manufactures of—*continued.*				
	Iron, Rice Bowls	set of six	1 8 0	1 p. ct. 2 0 0	
	„ Galvanised	.....	*Ad valorem*	*Ad valorem.*	If a rate fixed then Rs. 11 per cwt.
	„ Other sorts, except Anchors, Cables, and Kentledge, which are free ...	.....	*Ad valorem*	*Ad valorem.*	
	Lametta, Double reels	score	4 8 0	4 8 0	
	„ Single „	„	2 4 0	2 4 0	
	Lead, Pig	cwt.	10 0 0	10 0 0	
	„ Pipes	„	13 8 0	13 0 0	
	„ „ tinned	„	16 0 0	14 0 0	
	Lead, Sheets (other than thin Sheets for Tea Canisters, which are free)	„	12 0 0	12 0 0	
	Ore, Galena	„	13 0 0	13 0 0	
	Gold Leaf, Europe	100 leaves	4 0 0	2 8 0	
	Mock Gold Leaf	20 books	5 0 0	5 0 0	
	Orsidue or Brass Leaves, foreign, Europe ...	lb.	1 4 0	1 2 0	
	„ „ „ „ China ...	„	0 12 0	0 14 0	
	Patent or Yellow Metals, Sheathing, and Sheets and Bolts	cwt.	35 0 0	40 0 0	
	„ „ old ...	„	30 0 0	35 0 0	
	Quicksilver	lb.	1 0 0	2 0 0	
	Shot, Bird	cwt.	15 0 0	16 0 0	
	Spelter Nails	„	17 8 0	14 0 0	None imported.
	„ Plate and other shapes	„	11 0 0	12 0 0	

7½ per cent.

Spelter, Sheet or Zinc Sheathing	cwt.	15 0 0	7½ per cent.	17 0 0		
Steel, Blistered	„	9 0 0		9 0 0	The Committee recommend that "Steel" should be charged as Iron, being used for the same purposes as Iron.	
„ British	„	9 0 0		9 0 0	To this heading add the words "and German."	
„ Cast	„	25 0 0		20 0 0		
„ Spring	„	10 0 0		10 0 0		
„ Swedish	„	10 0 0		10 0 0		
Tin, Block	„	45 0 0		55 0 0		
„ Plates	„	12 8 0		15 0 0		
Wire, Brass	lb.	0 8 0		0 8 0		
„ Common Iron, Nos. 1 to 40	cwt.	9 8 0		*Ad valorem.*		
„ Copper	lb.	0 10 0		0 10 0		
Other sorts, including Hardware, Ironmongery, and Cutlery, but excluding Machinery, the component parts thereof, and Agricultural Implements, which are free	.....	*Ad valorem*		*Ad valorem.*	The Committee recommend that Iron Pipes and Tubes of all descriptions should be admitted at 1 per cent. duty. After the word Implements add the words "Picks and Powrahs."	
30 Naval Stores—						
Cables, Coir, tarred	cwt.	10 0 0	5 p. ct.	10 0 0		
Canvas, Country, Cotton	„	50 0 0		50 0 0		
„ Europe, Sail, not exceeding forty yards	bolt	15 0 0		15 0 0		
Coir, Rope, Maldive and Laccadive ...	cwt	10 0 0		10 0 0	"Maldive and Laccadive" to be struck out.	
„ Yarn, of all kinds	„	9 0 0		9 0 0		
Cordage, Hemp, Europe	„	18 0 0	7½ per cent.	20 0 0		
„ Manilla	„	20 0 0		25 0 0		
Dammer	„	5 0 0		5 0 0		
Pitch, American and Europe	barrel not exceeding three cwt and *pro rata* above and below.	13 0 0		15 0 0		
„ Coal		4 8 0		6 0 0		

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation under the Act. Rs. a. p.	Proposed Valuation. Present Duty. Rs. a. p.	Remarks.
30	Naval Stores—*continued.*				
	Tar, American	barrel not exceeding three cwt. and *pro rata* above and below	13 0 0	15 0 0	Not imported.
	„ Coal		6 8 0	8 8 0	
	„ Swedish and Archangel ...		14 0 0	16 0 0	
	Twine, Europe, Sail	lb.	0 8 0	*Ad valorem.*	
	All other sorts, except Oakum, which is free	.....	*Ad valorem*	*Ad valorem.*	
31	Oils—				
	Cardamom	lb.	10 0 0	5 0 0	Price nominal; not imported.
	Cassia	„	4 0 0	3 0 0	
	Cinnamon, Ceylon	„	10 0 0	5 0 0	Price nominal; not imported.
	Cocoanut	cwt.	20 0 0	14 0 0	
	Earth	„	10 0 0	10 0 0	Price nominal; not imported.
	Grass	lb.	2 0 0	1 12 0	
	Jingelee or Teel ... ... „	cwt.	20 0 0	12 0 0	
	Kerosine, Paraffine, Petroleum, Rock and Shale Oils of all descriptions	Impl. gal.	0 12 0	0 12 0	
	Linseed, Country	cwt.	18 0 0	18 0 0	
	„ Europe	Impl. Gal.	2 4 0	2 0 0	
	Naphtha	cwt.	30 0 0	25 0 0	
	Otto of sorts	ounce	20 0 0	10 0 0	
	Sandalwood	lb.	8 0 0	8 0 0	
	Sorrel	cwt.	20 0 0	12 0 0	
	Turpentine	Impl. gal.	2 0 0	1 10 0	

7½ per cent.

	Whale and Fish	cwt.	15 0 0	7½ per ct.	10 0 0	"Excepting Spermaceti" to be added, Spermaceti to be included under "All other sorts," &c.
	Wood	,,	15 0 0		14 0 0	
	All other sorts, except Cocum and Slush Fat, which are free	.....	*Ad valorem*		*Ad valorem.*	
32	Oil and Floor Cloth	.....	*Ad valorem*	5 p ct	*Ad valorem.*	
33	Opium	.....	.....	Rs. 24 p. sr. of 80 tolas.		
34	Paints, Colours, and Painter's Materials—					
	Ochre, all colours	cwt.	3 0 0		1 8 0	The words "other than Europe" to be added.
	Paints of sorts	,,	12 0 0		12 0 0	
	Composition Paint	,,	30 0 0		25 0 0	
	Patent Driers	,,	.....		14 0 0	To be a separate heading; entered in the Tariff along with Composition Paint.
	Prussian Blue, China	lb.	0 8 0		0 8 0	
	,, ,, Europe	,,	1 8 0		1 8 0	
	Red Lead	cwt.	14 0 0		14 0 0	
	Turpentine	Impl. gal.	2 0 0		1 10 0	
	Verdigris	cwt.	75 0 0			
	Vermilion, Canton	box of 90 bundles	80 0 0		150 0 0	Not imported; value unknown. Present price exceptionally high on account of the Spanish Civil War.
	,, Macao		30 0 0		50 0 0	
	White Lead	cwt.	12 0 0		12 0 0	
	All other sorts, including Brushes	.....	*Ad valorem*	7½ per cent.	*Ad valorem.*	
35	Perfumery—					
	Atary, Persian	cwt.	15 0 0		15 0 0	
	Rose Flowers, Dried	,,	10 0 0		13 0 0	
	Rose Water	Impl. gal.	1 12 0		1 12 0	
	All other sorts	.....	*Ad valorem*		*Ad valorem.*	
36	Photographic Apparatus and Materials	.....	*Ad valorem*		*Ad valorem.*	
37	Piece Goods, not otherwise described	.....	*Ad valorem*	5 p. ct.	*Ad valorem.*	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation under the Act. Rs. a. p.	Proposed Valuation. Present Duty. Rs. a. p.	Remarks.
38	Porcelain and Earthen-Ware	.....	*Ad valorem*	*Ad valorem.*	Earthen-ware Pipes should be admitted free, or at 1 per cent. duty, the same as Iron Pipes.
39	Provision and Oilman's Stores—				
	Bacon in Canisters, Jowls and Cheeks ...	lb.	0 9 0	0 9 0	
	Beef	tierce of three cwt.	60 0 0	60 0 0	
		barrel of two cwt.	40 0 0	40 0 0	
	Cheese...	lb.	0 10 0	0 10 0	
	Fish-maws	cwt.	50 0 0	70 0 0	
	Fish, Sozille and Singally, small	,,	6 0 0	6 0 0	
	Flour	barrel or sack of 200 lbs.	25 0 0	15 0 0	
	Ghee	cwt.	36 0 0	36 0 0	
	Hams	lb.	0 8 0	0 10 0	
	Pork	tierce of three cwt.	50 0 0	50 0 0	
		barrel of two cwt.	34 0 0	34 0 0	
	Shark-fins	cwt.	20 0 0	20 0 0	
	Tongues, Salted	keg of six	10 0 0	10 0 0	
	Vinegar in Wood, Europe	Impl. gal.	1 8 0	1 8 0	
	,, ,, Persian	,,	0 12 0	0 12 0	The words "in Wood" for Persian and Country to be struck out.
	,, ,, Country	,,	0 6 0	0 6 0	

7½ per cent.

	All other sorts, except Biche-de-mer, Butter, and Salted Fish, which are free	.....	*Ad valorem*			7½ p.ct	*Ad valorem.*				
40	Railway Materials—										
	Of Iron	.....	*Ad valorem*			1 per cent.	*Ad valorem.*				
	Steel Rails and other articles intended for the permanent way of Railways... ...	.....	*Ad valorem*				*Ad valorem.*				
	Other sorts	.. ..	*Ad valorem*				*Ad valorem.*				
41	Rattans and Canes—										
	Canes, Malacca	dozen	1	0	0	7½ p. ct.	0	6	0		
	Rattans	cwt.	7	0	0		8	0	0		
	All other sorts	.....	*Ad valorem*				*Ad valorem.*			The words "except Bamboos which are free" to be added.	
42	Salt—										
	Imported from any place, whether within or without British India,										
	(*a*) into British Burmah	.....	... ..			8 as. p. md.					
	(*b*) into the territories under the Government of the Lieutenant-Governor of Bengal	.....	.....			Rs. 3-4	„				
	(*c*) into any other part of British India ...	.....	.....			Rs. 1-13	„				
43	Seeds—										
	Anchuchuck	cwt.	10	0	0	7½ per cent.	10	0	0		
	Anise, Europe	„	28	0	0		25	0	0		
	Assalia	„	7	0	0		5	0	0		
	Cajoo	„	3	0	0		3	0	0		
	Castor	„	4	8	0		4	8	0		
	Cummin	„	12	0	0		12	0	0		
	„ Black	„	5	0	0		5	0	0		
	Esubgool	„	5	0	0		5	0	0		
	Linseed	„	5	0	0		5	6	0		

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation under the Act. Rs. a. p.	Proposed Valuation. Present Duty. Rs. a. p.	Remarks.
43	Seeds—*continued.*				
	Methee	Cwt.	5 0 0	4 0 0	
	Mustard	„	4 8 0	5 8 0	
	Quince Seed or Badana	„	50 0 0	30 0 0	
	Rape or Sursee	„	4 8 0	4 8 0	
	Sawjeerah	„	25 0 0	20 0 0	
	Tookmeria	„	7 0 0	4 0 0	
	All other sorts, excepting Seeds imported by any Public Society for gratuitous distribution which are free	.....	*Ad valorem*	*Ad valorem.*	
44	Shells—				
	Chanks, "large shells," for Cameos ...	hundred	10 0 0	10 0 0	
	„ White, Live...	„	6 0 0	6 0 0	
	„ „ Dead	„	3 0 0	3 0 0	
	Cowdas, Mozambique and Zanzibar ...	„	3 0 0	3 0 0	
	„ from other places	„	0 8 0	0 8 0	
	Cowries—				
	Bazaar, Common	cwt.	4 0 0	2 8 0	
	Maldive	„	16 0 0	10 0 0	
	Sunkley	„	40 0 0	50 0 0	
	Yellow, superior quality	„	8 0 0	5 0 0	
	Mother-o'-Pearl	„	8 0 0	25 0 0	

7½ per cent.

	Tortoise Shell...	lb.	6 0 0	7½ per cent.	6 0 0	
	„ Nuck	„	1 0 0		1 0 0	
	Nuckla and other sorts	.....	*Ad valorem*		*Ad valorem.*	
45	Silk—					
	Floss	lb.	8 0 0		8 0 0	
	Raw, Charon and Cochin-China	„	4 0 0		3 8 0	
	„ Mathow	„	1 12 0		1 12 0	
	„ Other kinds of China	„	7 0 0		6 0 0	
	„ Persian	„	5 0 0		4 0 0	
	„ Punjum and Cutchra	„	1 12 0		1 4 0	
	„ Siam	„	4 0 0		2 0 0	
	Sewing Thread, China	„	8 0 0		8 0 0	
	Other sorts	.....	*Ad valorem*		*Ad valorem.*	
	Silk Piece Goods of sorts	.....	*Ad valorem*	5 p.ct	*Ad valorem.*	
46	Soap	.....	*Ad valorem*		*Ad valorem.*	
47	Spices—					
	Aloe Wood	lb.	3 0 0	7½ per cent.	3 0 0	
	Aniseed Star	cwt.	40 0 0		35 0 0	
	Betelnut, White, Sheverdhun	„	18 0 0		18 0 0	
	„ all other kinds	„	4 0 0		5 0 0	This rate is for Singapore. Goa nuts are worth about Rs. 12.
	„ in husk	thousand	2 0 0		1 0 0	
	Cassia Buds, Nagkessur China	lb.	0 8 0		0 8 0	Not imported.
	Chillies, Dried...	cwt.	8 0 0		8 0 0	
	Cloves	„	12 0 0		40 0 0	Price at present exceptionally high on account of the destruction of the Crops in Zanzibar.
	„ in Seeds, Nurlavung	„	8 0 0		16 0 0	Do. do. do. do.
	Mace	lb.	0 9 0		1 2 0	

IMPORT TARIFF—*Continued.*

Number	Names of Articles.	Per	Tariff Valuation under the Act. Rs. a. p.	Proposed Valuation. Rs. a. p.	Remarks.
47	Spices—*continued.*			Present Duty.	
	Mace, false	cwt.	10 0 0	13 0 0	
	Nutmegs	lb.	0 10 0	0 14 0	
	„ in Shell	„	0 6 0	0 8 0	
	„ Wild	cwt.	12 0 0	5 0 0	
	Pepper, Black and Long	„	14 0 0	25 0 0	
	„ White	„	25 0 0	38 0 0	
	All other kinds	.....	*Ad valorem*	*Ad valorem.*	
48	Stationery other than Paper	.....	*Ad valorem*	*Ad valorem.*	
49	Sugar and Sugar-Candy—				
	Sugar-candy, China	cwt.	20 0 0	20 0 0	
	„ Loaf	„	23 0 0	23 0 0	
	„ Soft	„	12 0 0	13 8 0	
	All other sorts of Saccharine Produce ...	„	*Ad valorem*	*Ad valorem.*	
50	Tea...	lb.	1 0 0	0 10 0	
51	Tobacco—				
	Manufactured...	.....	*Ad valorem*	*Ad valorem.*	
	Unmanufactured	.....	*Ad valorem*	*Ad valorem.*	
	Articles, such as Pipes, &c., used in consumption of...	.....	*Ad valorem*	*Ad valorem.*	

7½ per cent. | 10 p. ct. | 7½ p. ct.

52	Toys and Requisites for all Games	.....	*Ad valorem*	7½ per cent.	*Ad valorem.*
53	Umbrellas—				
	Cotton, Steel Ribs	each	0 13 0		0 12 0
	„ Cane Ribs	„	0 11 0		0 12 0
	„ China Paper Kettisals	box of 110	45 0 0		30 0 0
	All other sorts	.....	*Ad valorem*		*Ad valorem.*
54	Woollen Goods—				
	Piece Goods	.....	*Ad valorem*	5 p.ct	*Ad valorem.*
	Braid	.....	*Ad valorem*	7½ p.ct.	*Ad valorem.*
	Other sorts	.....			

CC 15

EXPORT TARIFF.

Number	Names of Articles.	Per	Tariff Valuation under the Act. Rs. a. p.	Proposed Valuation. Present Duty. Rs. a. p.	Remarks.
	Cotton Goods—				
1	Piece Goods—				
	Baftahs	Score	30 0 0	3 per cent.	
	Gurrah	„	20 0 0		
	Khurwah	„	25 0 0		
	Mamoodie	„	32 0 0		Not known in Bombay. Exported from Calcutta.
	Mirzapore Chintz	„	15 0 0		
	Patna	„	30 0 0		
	Shans	„	40 0 0		
	Tunzeeb, Oudh	„	26 0 0		

EXPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation under the Act.	Proposed Valuation.	Remarks
			Rs. a. p.	Present Duty. Rs. a. p.	
1	Cotton Goods—*continued.*				
	Other sorts	.....	*Ad valorem*		The Committee propose that this article should be classified and valued as follows :— Twist, Country, not exceeding No 15 As. p. .. 5 0; Do do. No. 16 to 24 .. 6 6; Do. do. No 25 to 32 .. 8 0
	Twist, Country, No. 10	lb.	0 7 0		
	„ „ „ 20	„	0 9 0		
	„ „ „ 30	„	0 10 0		
	„ Hand Spun...	„	0 5 0	3 per cent. 0 3 6	
	*				The Committee recommend that the following Country-made Piece Goods should be entered as a separate item in the Tariff, viz : "Long Cloths T. Cloths, Domestics, Sail Cloths, Drills, and Jeans, As. 8 per lb."
	All other kinds of Cotton Goods... ...	.....	*Ad valorem*	*Ad valorem.*	
2	Grain of all sorts	.....	.....	3 as. per md.	
3	Hides and Skins, Tanned—				
	Hides—				
	Buffalo, Country, Tanned...	score	70 0 0	80 0 0	
	Cow	„	50 0 0	60 0 0	
	Skins—			3 per cent.	
	Goat and Sheep	„	10 0 0	15 0 0	
	Lamb	„	5 0 0	7 0 0	
	Any other sorts of Hides and Skins ...	.....	*Ad valorem*	*Ad valorem.*	
4	Indigo	.....	.....	Rs. 3 p. md.	

5	Lac—											
	Button...	cwt.	28	0	0	4 per cent.					Calcutta exports.
	Dye	,,	45	0	0						
	Seed	,,	20	0	0						
	Shell	,,	28	0	0						
	Stick	,,	16	0	0						
	Other sorts	...	*Ad valorem*				*Ad valorem.*				
6	Oils—											
	Castor	cwt.	16	0	0	3 per cent.	15	0	0		
	Cocoanut	,,	20	0	0		14	0	0		
	Fish	,,	15	0	0		6	0	0		Shipping rate from Cochin, but no known in Bombay.
	Grass	lb.	2	0	0		1	12	0		
	Jingeely or Teel	cwt.	20	0	0		12	0	0		
	Linseed	,,	18	0	0		18	0	0		
	Mhowa	,,	12	0	0		12	0	0		
	Mustard	,,	16	0	0		24	0	0		
	Poppy...	,,	20	0	0		15	0	0		
	Rape or Sursee	,,	16	0	0		15	0	0		
	Sandalwood	lb.	8	0	0		8	0	0		
	Other sorts	.....	*Ad valorem*				*Ad valorem.*				
7	Seeds—											
	Castor Seed (Erundee)	cwt.	4	8	0		4	8	0		
	Coriander Seed	,,	4	0	0		4	0	0		
	Cummin Seed	,,	12	0	0		12	0	0		
	,, Black (Caleejeera)	,,	5	0	0		5	0	0		
	Ground Nuts, with shell	,,	5	0	0		4	0	0		
	,, ,, without shell	,,	6	0	0		6	0	0		
	Jingeely or Teel Seed.	,,	6	0	0		5	8	0		
	Linseed.	,,	5	0	0		5	6	0		
	Methee Seed	,,	5	0	0		4	0	0		
	Mustard Seed...	,,	4	8	0		5	8	0		
	Poppy Seed	,,	5	8	0		5	8	0		
	Rape or Sursee Seed.	,,	4	8	0		4	8	0		

EXPORT TARIFF—*Continued.*

Number	Names of Articles.	Per	Tariff Valuation under the Act.	Proposed Valuation.	Remarks.
			Rs. a. p.	Rs. a. p.	
				Present Duty.	
7	Seeds—*continued.*				
	Other sorts	.....	*Ad valorem*	*Ad valorem.*	
8	Spices—				
	Aloe Wood	lb.	3 0 0	3 0 0	
	Betelnut, in husk	1,000	2 0 0	1 0 0	The Committee recommend that Betelnut be entered in the same manner and at the same valuations as in the Import Tariff, viz.:— Betelnut, White, Sheverdhun, per cwt .... Rs 18 ,, all other kinds .. .. 4 ,, in husk per thousand. 1
	Cardamoms	cwt.	200 0 0	160 0 0	
	,, Large, Bastard	,,	40 0 0	40 0 0	
	Chillies, Dried	,,	8 0 0	8 0 0	
	Ginger, Dry (Rough), Malabar	,,	10 0 0	10 0 0	The prices of these are higher in Bombay than the Tariff valuations.
	,, ,, ,, Bengal	,,	7 0 0	7 0 0	
	,, (Scraped)	,,	15 0 0	15 0 0	
	Pepper...	,,	15 0 0	25 0 0	
	Turmeric	,,	5 0 0		The Bombay price is Rs. 10, but none is exported.
	All other sorts...	.....	*Ad valorem*	*Ad valorem.*	

3 per cent.

J. GORDON,
Secretary.

DAVID WATSON,
Chairman of the Special Committee.

BOMBAY, 23*rd December*, 1874.

REPORT OF THE PROCEEDINGS AT A SPECIAL GENERAL MEETING OF THE CHAMBER OF COMMERCE, HELD ON 5TH AND 6TH JANUARY, 1875.

A SPECIAL GENERAL MEETING of the Chamber of Commerce was held on Tuesday, 5th January 1875, at 2 o'clock P.M., to confirm the Customs' Tariff Valuations, proposed by the Special Committee appointed by the Chamber, and to take the opinion of the Chamber on the policy to be urged on the Committee in Calcutta, appointed by the Government of India on the general question of the revision of duties. David Watson, Esq., Chairman of the Chamber, in the chair.

The CHAIRMAN, in introducing the principal business before the Meeting, said—Gentlemen,—The Government of Bombay had forwarded to the Chamber some resolutions which had been passed by the Government of India, and which are as follow:—"*It* has been represented to the Government of India that the values on which Customs' duties are assessed, as contained in Schedules A and B of the India Tariff Act 1871, are in some instances in excess of the market values of the article valued." "His Excellency the Viceroy and Governor General in Council is of opinion that the time has arrived for the revision of the tariff valuation, and has resolved for this to appoint a Committee to enquire into and report on the subject." In accordance with those resolutions we were asked by the Government of Bombay to take the matter into consideration. This we immediately did, and we called in the assistance, not only of Members of the Chamber, but of a number of gentlemen outside the Chamber who were acquainted with the various branches of the trade of the port of Bombay. We had the advantage of aid and assistance from gentlemen engaged in trade with China, with the Persian Gulf, with Zanzibar, and with Mauritius; as well as some gentlemen engaged in spinning and weaving in the town of Bombay. After a good many Meetings, and after a good deal of discussion, we arrived at the valuations, as printed in the list I have in my hands. I may mention that, before arriving at these conclusions, Mr. Hope, the Chief Commissioner of Customs, was kind enough to attend our Committee and give us his assistance. To him and the other gentlemen who have assisted us are our thanks due for the very great trouble they gave themselves to meet our wishes. The valuations at which we arrived are now in your hands, and, I have no doubt, you are all well acquainted with them. It is not necessary that I should go through every item, but I will say a word or two on those which are most important. First, as to the Import Tariff. Nos. 1 (apparel, &c.), 2 (arms, &c), 3 (asphalte). 4 (beads, &c.), 5 (cabinet ware), 6 (candles, &c), 7 (carriages) and 8 (clocks, &c.) call for no very special remark. In a few things we have recommended a slight advance in the valuations, in others we have recommended a slight reduction. No. 9 (coffee) we have advanced fifteen per cent. Coffee is not an important article of import, and the

real advance is somewhat greater than we have taken, but we could not agree to take the present market rate as permanent, and we agreed with the Custom House that Rs. 35 was fair. No. 10 (corals) and No. 11 (corks) call for no special remark. It is No. 12 (cotton goods) that is the most important article, and upon this we had a good deal of discussion. In taking these valuations the Custom House authorities and the Government of India go very much on what they call "averages" of the past few years. The doctrine of averages is a very good one in most instances, and we have applied that doctrine in a great many cases. But it has not been applied where there are any very strong and special reasons for looking at probable values from a different point of view. We have to look, not so much at what the value has been in the past, but what it is likely to be in the future—say for the next five or ten years. I am not going to enter into the disputed question as to what will be the price of cotton for five years. I have no wish to prophesy, but to have taken the average of the past five years would not have done at all. There has been no relation whatever between the cost of production and what has been its price for five years past. I need not point out this to you, as it is well known to you all. Then, gentlemen, perhaps in the next few years we are more likely to have lower prices than we have at present. The production in America is likely to be greater than ever. This is not my own opinion only, but we find it everywhere stated by those most competent to judge. If, then, we take the present prices of cotton upon which to fix duties, we are making a very liberal allowance, and when duties are to be fixed for years to come, we ought to ask a fair thing when we ask that a valuation be fixed. On the question of sewing thread we have advanced the price considerably, viz., from As. 11 to Re. 1 per lb. The only explanation is that the valuation hitherto has been too low. Sewing thread on reels or on cards of one hundreds yards, and Goa and country, we have left as they were. Now as to yarns; and first, Mule Twists. Up to No. 24s it has been very difficult to fix valuations at all; and indeed up to 33s to some extent, as such goods are now hardly imported at all. We have reduced them considerably, but we have had to base our ideas of value a good deal on the rates current for Bombay spun yarns. On 33s to 42s which at present are at 11 annas a lb., we recommend a reduction to 9 annas. This is a great reduction, but it is not greater than the state of the market warrants. It must be borne in mind that to all these values has to be added the Customs' duty in order to find the selling or market value. For the duty is intended to be levied on the market value less the duty. In the higher class of yarns we have not reduced the value in the same proportion, because the value has not fallen in England in the same degree. But Water No. 20 we have reduced from 10 annas to 8 annas a lb. That is a great reduction, but the amount imported is small, and it was impossible to take English yarn at less when it had to compete with native yarn at 6½ annas, and for 30s Water we have reduced from 11 annas to 9 annas, and as a general rule we may take it that 30s Water is much the same price as 40s Mule. Turkey Red and coloured Twist we

have not reduced much—only by one anna on the first and two annas on the second. Of course the price of dyeing remains the same as it was, so we have only reduced on the price of Grey Yarn. I now come to Mulls, which we have reduced one anna, and Jacconets also one anna, both fine and coarse. These fairly represent the values of to day, and are not a very material reduction. The next on the list are most important, viz., Shirtings, Madapollams, and Prints. We have reduced them from 11 annas to 9 annas the lb.—a great reduction, I admit, but not greater than the circumstances of trade demand. These articles are what may be called the consols of Piece-goods, and it is from them that the greater part of the duty is now collected. Adding the duty to our valuations you will find that it gives you as market rates, say about Rs. 4-14 for an 8¼ lb. and Rs. 4 2 for a 7 lb. Shirting, and this I think must be admitted to be a present full rate for average qualities. The next items, Long Cloths, T. Cloths, &c., we have reduced from 9 annas to 8 annas. That gives a very fair value for the T. Cloths which are imported into Bombay. Nearly all the other articles have I regret to say, almost entirely disappeared as articles of import. In Calcutta, there has been a good deal of discussion on the importation of fine T. Cloths. These have been brought in under low values. We have endeavoured to meet this difficulty, by putting some fine T. Cloths under the head of Shirtings. The plan we propose which is to take at the higher valuation of 9 annas for all T. Cloths 18 by 18 and upwards may not meet every case, but I am sure it will meet nearly every case which is now complained of. No. 13 (drugs), 14 (dyeing materials), 15 (fireworks), 16 (flax manufactures), and 17 (fruits, &c.) call for no special remark. In No. 18 (glass and glass beads) we have made an advance, the price of glass having advanced in England. Nos. 19 (gums), 20 (groceries), 21 (hides), and 22 (musical instruments) call for no special remark. No 23 (ivory) there is a very great advance, but this does not represent the whole advance, which is, I believe, 100 per cent. We have been unwilling to put down such a large advance. The late Governor of Bombay went to Africa, the object of his mission being to extinguish the slave trade and encourage commerce. We have no information about its effects on slavery, but the effect of the mission on trade has been rather unfortunate. In consequence of his mission we are told the prices of all articles from the interior of Africa have risen 100 per cent. The Custom authorities wanted us to take this as the normal rate, but we would not; however, we admitted an advance of from 30 to 40 per cent. Nos. 24 (jewellery) and 25 (leather manufactures) call for no special remark. No. 26 (liquors) has been left in the same condition in which we found it. There was at ths Meeting of the Committee a strong discussion on the subject, and indeed a resolution in regard to it has been handed in. With the general spirit of that resolution I entirely agree, but I see great difficulties in the way of carrying it out in practice. The same difficulty arose in England with tea and tobacco, both of which are heavily taxed all round. The lower qualities of the latter article are taxed

400 per cent., while the finer sorts are only taxed 50 per cent. The extreme difficulty of applying the test of value to wines, unless you take it *ad valorem*, is one you all can see. It has already been met with in England in regard to wines, and the only test they have there is the alcoholic test. But I do not think it would apply here in the way we wish it. Many lower kinds of claret are quoted as high under the alcoholic test as are the more expensive kinds. So we decided to let it alone. Nos. 27 (matches) and 28 (mats, &c.,) call for no special remark. Number 29 (metals, &c.), however, includes metals of all kinds. First, copper, a most important *article*. On this we recommend an advance of from 12 to 15 per cent. It is a fair average for the past few years, and we do not consider the present high prices of copper likely to keep up. We have also advanced iron 20 to 25 per cent. This does not represent the full present value. Not long ago iron was 60s. in England, when it rapidly rose to 140s., and then fell to 80s., and it now remains between 80s. and 90s. We think we have chosen a fair average. Of course the high price of coal in England affects the price of every kind of metal—and of iron more than any other. All kinds of metals then have experienced a considerable advance, and we have taken that into account. Quicksilver we find has doubled in price. We believe this is owing to the civil war in Spain, and it may therefore fall again as rapidly as it has risen. There is another remark which I have to make under this head, and that is in regard to steel, which is charged at the rate of 7½ per cent., while iron is only charged at the rate of 1 per cent. We think that is an unfortunate distinction, because steel is now used for so many purposes that iron was formerly used for, that the same objections apply to high duty on the one as the other, and we recommend, therefore, that steel should be charged the same as iron. Nos. 30 (naval stores), 31 (oils), 32 (oil cloth), 33 (opium), and 34 (paints) call for no special remark, except that vermillion has advanced from the same cause as has quicksilver. Nos. 35 (perfumery), 36 (photographic apparatus), 37 (piece-goods), 38 (porcelain), 39 (provisions), 40 (railway materials), 41 (rattans and canes), and 42 (salt) call for no special remark. On No. 43 (seeds) I would call attention to the value of linseed, which we have advanced from Rs. 5 to Rs. 5 6. This some of you may think too high, but you must bear in mind that its present price is a little over Rs. 6. No doubt this is owing to the low rate of freights, but even in last shipping season it varied from Rs. 5-8 to Rs. 5-10. I think, therefore, that Rs. 5-6 is *fair* for Bombay. No. 44 (shells) calls for no special remark. Under No. 45 (silk) I may mention that we have received a letter complaining that our valuations are too high. We arrived at them with considerable difficulty, and after a great deal of examination, and we cannot expect the Committee to open up the matter again, but we have offered to send the letter to Calcutta, with a voucher, as to the respectability of the men who have sent it. Nos. 46 (soap), 47 (spices), and 48 (stationery) call for no special remark. As to No. 49 (sugar) we have had some complaints for advancing soft sugar from Rs. 12 to Rs. 13, and we have treated the communication in the same way as we did that about

silk. In regard to No. 50 (tea) we have diminished the valuation of tea from Re. 1 to As. 10. Nos. 52 (toys), 53 (umbrellas), and 54 (woollen goods) call for no special remark, and these close the valuations for the Import Tariff. I now come to the Export Tariff. No. 1 is cotton goods. To begin with, there are a number of peculiar names—Baptahs, Gurrah, and some others—which no one in Bombay knows anything about. I believe they are names used in Calcutta and Madras, and we have, therefore, left them for those places to deal with. Coming to cotton twists we have reduced them very materially indeed. In doing this I do not know that we have entirely met the views of the gentlemen connected with the Mills in Bombay, but we have certainly gone as far in that direction as we possibly could. We put down No. 20 Country Twist at 6½ annas, and No. 30 Country Twist at 8 annas. Hand-spun twist we have reduced to 3½ annas. In regard to hides and skins a rise in price has taken place. Indigo and lac we have left to be dealt with in Calcutta, as there is no trade in them here. Oils we have reduced as well as seeds in some cases. I forgot to mention that in our valuation of country goods the Committee recommend a separate value for piece-goods. Gentlemen connected with Mills said that that would save a great deal of trouble, so we recommended that they should be taken at 8 annas a lb., the same value as English goods of the same descriptions. I have now gone over the principal items in the valuations, and I beg to propose that this list of valuations be accepted by the Chamber.

Mr. A. WALKER seconded the resolution, which was carried unanimously.

The CHAIRMAN then said—In addition to the subject upon which I have just remarked, several other questions are to be brought before the Committee in Calcutta. I will read the Government Resolution which refers to them, and upon which the Committee are supposed to act:—"The Government of India would further be glad to consider the opinion of the Committee as to the propriety of removing from the tariff any articles, the retention of which may be thought unimportant in the interest of the public revenue, and the removal of which from the list of dutiable articles would give freedom to tarde." Although this paragraph refers to no one subject, in particular, yet in another paragraph they say—"Representations have also been made to the Government of India as to the injurious effect of the duties levied on the import of cotton goods and twist manufactures in England. The Government of India would be glad to receive a report of the opinion of the Committee on this point after inquiring into the facts." And further they say—"In considering this question, the Committee will observe that the Government of India does not impose or maintain Customs' duties for the purposes of affording protection to any branch or class of industry, but for revenue purposes only." Now, gentlemen, in considering these resolutions, your Committee—I mean the Committee of the Chamber—have drawn up a series of resolutions.

Mr. KITTREDGE—Do I understand that the Committee which

recommended the first and second resolutions about to be submitted is different to the one which drew up the valuations ?

The CHAIRMAN—Certainly. Now, you will observe that these two points are dealt with in these resolutions which we wish to send to the Government of India. The one, the abolition of the duties on imports ; the other, the abolition of the duties on exports. The first thing we have to ask for—and we take it first, not only because it is the largest in amount, but because it is the first referred to in this resolution—is the abolition of the import duty on cotton goods and yarns. Now, gentlemen, this subject is not new to any of us. We all know that it has occupied the attention of the Manchester Chamber of Commerce, and that it has been brought by them before the Secretary of State for India. I am not going to enter into the merits of free trade or protection. It is too late to attempt that here, though we have heard a good deal on the subject of late in the Press and from other sources. The whole question has been settled, so far as we are concerned, by the Secretary of State for India. His reply to the deputation from the Manchester Chamber of Commerce was decisive. Lord Salisbury said—" There can be no question that in point of principle you are in the right. The duty is not one which can be defended in theory, and I do not suppose that any English Government would defend it in theory. The English Government could not speak with two voices on this subject. The principles of free trade have been accepted for a very considerable time. England urged them at every Court, and she could not willingly belie them in any dependency under her control." The rest of his Lordship's speech is simply made up of a denial of the possibility of removing these duties at the present time. The general policy that it is good for these duties to be removed seems to have been granted without reserve. The Government of India bear out the same idea when they say distinctly that they do " not impose or maintain Customs' duties for the purpose of affording protection to any branch or class of industry, but for revenue perposes only." It would, therefore, be a waste of time to discuss free trade or protection now. What Government has to do is to look to the interest of the consumer. It is not the part or duty of Government to foster and protect any particular trade. It is its part to give trade freedom to expand, not to hinder it, but to let it alone. At the same time there is no denying the fact that there is growing up in the midst of us here an industry whose apparent interests are antagonistic to the policy recommended. There are now in Bombay very nearly half a million spindles at work, and 100,000 more in the country districts, while there are nearly 100,000 more which will very shortly be in working condition. At least they are all so far advanced that they are certain to come into action. It seems, therefore, to some that the interests of Bombay and Lancashire are antagonistic. I believe that no greater mistake can possibly enter the head of any man. Free and open competition with the English manufactures is one of the best things that could happen to us. We have more to fear from competition amongst ourselves than with Lancashire. The

greatest possible benefit to Bombay would be to withdraw protection. I believe that no law can be laid down with greater certainty than that if you protect the manufacturers of a country by tariffs, its export trade in these manufactures will wither and die. I might give many illustrations of this, but I will only give one. In the United States of America, as you are perfectly well aware, the bulk of the cotton is grown. These States are inhabited by a people unsurpassed in energy, intelligence, and commercial ability, but at present we find this country entering upon a course of protection to native industry. The effect has been that their exports of cotton goods have within the past few years died away almost to nothing. I find from the *New York Commercial and Financial Chronicle* of last November one universal wail for the complete destruction of their export trade. In 1874 the whole of their cotton manufacture exports amounted to three million dollars, while in 1859-60, before the war, the exports were eleven million dollars. Now, while the American export trade had thus fallen off, the English export trade to America had increased 20 per cent. In 1870 the exports of cotton goods from England to America was only about 23 million dollars, while in 1874 it had risen to 28 million dollars, being an increase between 1870 and 1874 of five million of dollars—this, bear in mind, in spite of duties in the United States of between 20 to 30 per cent. If you want a trade to flourish, open it to free and open competition. It may not seem agreeable to gentlemen primarily engaged in it, but they may rest assured it will be for their benefit at last. We know that in England when the Navigation Laws were repealed, people predicted the ruin of British shipping; and when the Corn Laws were abolished, people prophesied the downfall of British agriculture. I might go on and give instances, but I will content myself with one more. Some years ago the late Emperor of the French reduced very materially the duties on cotton goods. The effect of the reduction was that the French manufacturers very soon removed their old machinery and put in new. The result was that the French cotton trade was never so successful as since the duty was reduced. The great success of Bombay Mills has been in spinning the lower and coarser kinds of yarns and goods. In some branches at least of this industry, owing to the cheapness of low Indian cottons, I believe they can hold *their own* against English opposition without any protection whatever. But the supply of these yarns is sure sooner or later to overtake the demand, and if the Bombay Mills have only the home market to depend on, great and continued depression, I fear, must ensue. I am not holding out any delusive hopes when I say that outside of Bombay you must look for an outlet for your goods. Even a few years ago, when your production was not one-third of what it is now, there was often a glut in your market of low yarns. I am not going to enter into the cause which has led of late to the great demand for these low yarns. One thing, however, is certain the great prosperity we had had for some years is drawing to a close. When the prosperity of an industry is talked about in the newspapers, and is in everybody's mouth, my experience tells me that that industry is on its last legs. The large profits you have

been making will disappear, not from English competition, but from competition one with another. I do not think, however, that it will disappear permanently. There is China, the Persian Gulf, Arabia, to take Bombay goods, and I do not see why Egypt, the Levant, and Southern Europe should not do so also. Perhaps all here are not aware of the extent to which English cotton goods are sent to *some* of these markets, but it is a fact that the exports of English yarn to Egypt and the Levant is as great as it is to the whole of India, and the exports to Italy alone fall very little short of it. The goods sent from England to those parts are of the coarser kinds to supply the poor population, and I am sure that the Bombay millowners need not despair, as here is an outlet for them. Again it would be the best thing that could possibly happen to have protection taken away from us. If not, we shall find the Bombay Mills trying to make such things as shirtings, jacconets, and other fine goods, in order to compete with England; but if we have not to do that, our Mills will be content to produce those lower kinds of goods for which they are specially adapted. Now, gentlemen, it is for these reasons, and on account of the admissions made by the Government of India which I have read to you, that we ask for the repeal, the total and immediate repeal, of these duties. An alternative scheme has been proposed, I am aware, which is to take the duties off the lower kinds of yarns and goods such as *those* at present made by the Indian Mills, and still leave them to be levied on the higher kinds, the manufacture of which has not yet been attempted here. The great recommendation of such a scheme is that it would call for little sacrifice of public revenue, and at the same time, in the meantime at least, practically remove any protection that Indian Mills may at present enjoy. This scheme was objected to in England, mainly on the grounds that it would be unworkable; I cannot say I altogether agree in this. I do not much like that policy, but I do not think it impossible to carry it out. If from the tariff we take all yarns from 30s Mule downwards, you would be required to give back very little in revenue. The average importation of 30s Mule in 1858 was nearly a million lbs., while last year it was only 1,33,000lb, and 20s Mule has more completely disappeared still. In the same way if we passed as free 20s Water and under, the loss to the revenue would be very light. For 1859 the importation of 20s Water was nearly one and a half million of pounds; in 1873 it was only 73,000 lbs., and last year, though there was an advance, it was only to 337,000 lbs. This slight increase is a remarkable fact, showing that in spite of the increased production of India, Manchester should still supply this market, not by superseding us, but by supplementing and helping us to satisfy the extraordinary demand such as last year sprang up all over India for these goods. With yarns, therefore, we see little difficulty in carrying out such a scheme. No one would pack and ship 34s Mule or 24s Water as 30s and 20s and sell them, as he must do as 30s and 20s, respectively, in order to escape the 3 per cent. duty. Manufactured cloth would not be so easy to treat in this way. T. Cloths, Domestics, and Longcloths are the articles from which we would recommend

the duties to be taken. Domestics have almost entirely disappeared, the Longcloths the same, but the trade in T. Cloths has kept up much better. In 1858 the importation of T. Cloths last year was 20,000. If this policy were carried out, there would no doubt be a very great temptation to make fine T. Cloths and pass off manufactures which were as fine as Shirtings as low goods entitled to be admit ed free. If, therefore, anything were done in this respect, it would be necessary to declare free only such goods as did not come up to a certain standard of value. No doubt this standard would be subjected to fluctuations, and require alteration from time to time. If, however, the matter was left to the fair consideration of the Custom House authorities and the merchants, I do not think there would be very great difficulty in admitting coarse goods free, and charging fine ones. I admit it is a difficult question, but it is not impossible to deal with it. My great objection to it is, however, that it would have the very bad effect of tempting the local Mills to make the finer goods instead of the coarser goods, for which they are specially adapted. I have, therefore, no very great love for the scheme, though I admit it would perhaps be better than nothing. The second point in the resolution is the import duties on sugar and dates. Now, on looking over the Custom House returns for Bombay and Calcutta, I was struck with the fact that while the money raised from these articles in Bombay was very large, the amount in Calcutta and Madras was next to nothing. The cause is not far to look for. In Bombay we have at our immediate back a barren country, no dates, or sugar, or silk, so that although nominally we are in the same country as Calcutta, yet we could get these goods cheaper from other countries, and we have, therefore, actually to pay a high protective duty to the Calcutta Presidency, the effect of which is not only to deprive the ryot of the opportunity of cultivating his land with those things for which it is especially fitted, but to diminish the production of the country in order that the Government may derive a revenue from these sources. The duties paid in 1871-72 on sugar imported amounted to 5 lacs. Our importation of foreign sugar was 60 lacs, of home 20 lacs, even although the foreign sugar pays an import duty of 7½ per cent., which clearly shows, if these duties were taken off, we could supply ourselves from Mauritius and China much more cheaply than from Calcutta. Now I think that, whether we get that duty off or not, it is a very fair case for representation to the Government. In regard to dates, I believe they are imported very much for the same purposes as sugar, and they are imported in large quantities. The total quantity of dry fruit imported last year into Bengal was 4 lacs. I cannot, however, quite make out whether all these are dates, as they are under one head; while in Bombay the import was 18 lacs. We, therefore, pay a very large import duty on dates on their arrival at this port. We have made no resolution in regard to silk, but it is a great hardship on Bombay in the same way as sugar and dates. In 1873 74 we paid duty on raw silks amounting to 5 lacs; in 1872-73, 4½ lacs; while Calcutta only paid in 1873

Rs. 73,000, and in 1872 Rs. 52,000. In Bombay the duty on silk goods alone in 1873 was Rs. 134,000, and in 1872 Rs. 124,000. The reason of this is perfectly plain. Bengal grows and exports both raw silk and silk manufactures, while in Bombay we have to import chiefly from China, and pay a heavy duty on all that we use. The Bombay silk manufacturer is, therefore, most unfairly weighted in the competition with his Bengal rival. I now come to the third section of the resolution, that, namely, which asks that the import duty on all articles for which Bombay acts more as a depôt than as a place of consumption—the gain to Government being small, and the trouble, both to them and the merchants and the hindrance to trade, great. The main articles we had in view in framing that resolution were coffee and ivory. The general truth of the proposition I think no one will dispute. Coffee is mainly an article of home industry, not of import, the duty levied in 1872-73 was Rs. 11,000, but the drawback amounted to Rs. 12,000, so that here there was less than nothing left to Government. In 1873 74 the duty was Rs. 7,600, the drawback Rs. 4,500, so that only Rs. 3,000 remained to the Custom House, to which is to be added one-eighth, which they retain for the trouble of collecting. In Calcutta in 1873 the amount was only Rs. 252; and in 1872 only Rs. 228. I cannot give the return from Madras, but it was not much. Next as to ivory; this is rather an important article in Bombay. The duty levied in 1872-73 was one lac, but Rs. 70,000 were returned as drawback, to which must be added one-eighth for collection, giving the actual amount received at about Rs. 80,000; and leaving Rs. 20,000 as net duty. On the other hand ivory and ivory-ware in Calcutta and Madras are insignificant. We ought to be very sensitive on the subject of our depôt trade. It is a trade which I am afraid is leaving us every day, and I think it is likely to continue to do so. Now, as to the fourth section of the resolution: we ask that the import on many small articles which give little return to the revenue should be abolished. There is extreme difficulty in picking these out, as we have no general return. We have to take Bombay, Calcutta, and Madras together. The abolition of such duties, however, was a principle carried out in the last revision of the tariff. I remember reading that the article "cows' tails" had been taken out of the tariff, and I have no doubt that now there are some articles left in of no more importance than cows' tails. Another difficulty in the way of picking out particular articles is the frequent use in the tariff of general terms. Some of these are not exactly English but Indian slang. The effect of this is that if an article does not come within one term, it is made to come within another. Now, all such general terms as "oilmanstores," &c., ought to be abolished as much as possible. Every separate article ought to be given under its proper name, and those which are not so given ought not to be taxed. Section number 5 is in regard to export duties. It asks that they may be taken off all articles but rice, indigo, and lac. This section, though last in point of order, is not in point of importance. Seeds were not included in the original resolutions. We were very much hurried in our work, as the Committee meets

in Calcutta to-day, and we were anxious to have everything ready for them. Therefore, the resolutions were drawn up in great haste. After we had drawn them up, it was the opinion of the Committee that the export duty on seeds ought to be abolished, as well as that on the other articles. I do not think there can be two opinions as to the advantages of the abolition of these duties. The sooner these duties are abolished the better, and I hope they will be abolished, whether the other part of our recommendation is attended to or not. The only important article is that of seeds. The entire yield of revenue, exclusive of seeds, is in Bombay 1½ lacs, in Calcutta ½ a lac. Add to these—Seeds: Bombay 1¼ lac, Calcutta 5 lacs, and altogether there would be a loss to revenue of 8 or 9 lacs by the abolition of these export duties. Now, gentlemen, what we recommend, I admit, are every great and sweeping changes. Altogether the loss to public revenue by the changes we propose is not less than a million sterling. Of course a great deal of that is made up of import duties of cotton goods and cotton yarns. This was the great difficulty that presented itself to Lord Salisbury, and is the crucial point of the whole question. The Indian Government are prepared to give it up if it can be shown to them how we can do without it. I think there will be little difficulty in showing that. But I fear if we wait till the Government tell us they can spare the revenue, we shall have to wait for the Greek Kalends. However, as the challenge has been thrown out by the Secretary of State and by the Indian Government, we do not hesitate to accept it. Well, the first means we think are to be found in increased economy in the public expenditure. This Chamber is very properly unwilling to enter into what may be called political discussion. It is extremely desirable in a place like this to enter into no general political matter. We are to confine ourselves to purely mercantile questions, and I regret that a matter, somewhat of a political character, has been thrust upon us. None of us, however, can shut his eyes to the fact that the expenditure both here and at home has been very extravagant. If we come to 1855-56, and I take this year because it was then that Lord Dalhousie had finished the last of his annexations, and is the time when he may have said to have consolidated the English power in India. It is a convenient time to take for a comparison, because there is now the same area of country to govern—or nearly so—as there was then. In the year 1855-56 the gross expenditure of India was 32 millions, last year it was 55 millions: that is to say, over 70 per cent. in less than 20 years. Now, I am not one of those who think you can look at that advance without great alarm. The country has certainly not increased in wealth in the same proportion, while its debt has increased nearly 100 per cent. We may safely put upon record that we consider the expenditure excessive and extravagant, without going into details. In the same way we have no intention of entering into details of the account of what has been spent on public works. That a great deal of money has been thrown away no one will deny. Sir Seymour Fitzgerald recently said in the House of Commons that he looked back upon much of his

expenditure on public works in India with great regret, as a great deal of it had been a great mistake. All that we mean in this resolution is an expression of the principle which we think is very apt to be lost sight of in India, namely, that the best way to develope the resources of the country is to leave them to fructify in the pockets of the people. We object to the doctrine that money cannot be profitably employed except when it is collected wastefully in one department to be as wastefully squandered by another. We were quite prepared on other grounds, however, to meet the challenge of the Secretary of State, that we should point out some way of raising the revenue. It seems to me that the principle on which our whole customs duties are levied is clumsy and inefficient in the extreme. There are 250 millions of inhabitants of India, and all the seaboard is in the hands of the Government, and all the return that is got from the Custom Houses is only Rs. 2,34,00,000. The cause of that is not far to look for. It is not only that we have a very frugal and careful population, but that we have a country in which almost every article of necessity or luxury can be produced at home. You can hardly name an article then in the tariff which is not a protective duty. I defy the Government to raise a duty of 25 per cent. on almost any commodity without entirely killing out the trade in that article. Therefore, I think it is a great mistake to think that by advancing duties only on the articles you import, and which are in most cases a very small fraction indeed of the whole consumption of the country of that article that there will ever be secured a satisfactory revenue. You tax the ten or twenty per cent. that is imported, while you allow entirely to go free that 80 or 90 per cent. of the consumption that is produced at home. Under such a system, is it at all to be wondered at that we should hear constant complaints of the unelastic character of the Indian revenue, and especially of the Customs revenues. I would like you to look a few minutes at the increase on the revenue under its several most important heads since the period I have mentioned above. Since 1855-56 the revenue has increased enormously, as the following table shows:—

	1855-56.	1871-72.	Increase.
Land, nett	£16,758,000	£20,423,000	£3,700,000
Opium ,,	3,961,000	7,658,000	3,700 000
Salt ,,	2.884,000	5,462,000	2,6 0.000
Stamps ,,	500,000	2,356,000	1,800,000
Customs ,,	1,003,000	2,340,000	1,240,000

I think it is a great pity that the Indian Government should waste so much energy in this Customs Department which gives such a little return. Now, if we turn our attention to England we find that the bulk of the revenue is raised from one or two articles. They are taxed heavily, but they are not articles of the first necessity. A heavy duty is put upon some one or two articles of luxury, and from these things a large revenue indeed is raised. And when an article is singled out for taxation, if it can be produced at home a heavy excise tax is made to correspond with the heavy import duty. All other articles are left free. The prosperity of the country is thus promoted, and a large revenue is at the same time raised. I admit that in

India we already raise a portion of our revenue, *viz.*, that from salt and opium on much the same principle. The question is, cannot we find some other articles that can be dealt with in a similar manner? I admit that it is very presumptuous on our part to point them out—a task which is more properly the work of a Finance Minister—but we have been challenged, and we recommend a duty on spirits and tobacco. The first has been already acted upon, but tobacco has not been yet taxed to any appreciable degree. Hitherto it has been dealt with on the objectionable principle we have already pointed out. An exceptionally heavy tax has been put on imports, viz., 10 per cent., while the home production, as far as the imperial revenues are concerned, goes entirely free, and as the import is only about one per cent. of the whole consumption, the return to Government is miserably small, being less than a lac of rupees annually. Now what would be the effect of a general excise tax on all the tobacco consumed in the country? I hold in my hand a report on the cultivation of tobacco which has been published in Calcutta. I am not going to read you long extracts from it, but simply to say that the conclusion arrived at is that the value of the whole Indian tobacco crop is from 8 to 10 millions sterling. Now a small tax upon that, say 10, 15, or 20 per cent., would produce a very large revenue. Taking the lowest estimates, such a tax would produce half a million or a million sterling. This might really be got. No one could complain at this being made a subject of revenue. In all other civilized countries—Italy, France, Germany—it is a Government monopoly, and pays a heavy duty, as any one must discover who travels on the Continent. In England tobacco is taxed 400 per cent. on the lowest qualities, and 50 on highest. There is another point, too, in connection with this, which is worthy of your consideration. While Government has been sleeping, the Municipalities have been awake. They are mending their roads, and doing many other things by a revenue derived from this article. In Bombay itself we draw from this tax Rs. 1,48 000, and by liquor licences Rs. 1,46,000, so that in Bombay alone we draw more in this way for municipal purposes than is raised from the whole seaboard for imperial purposes. At Lahore duties are levied on tobacco for municipal purposes of Rs. 4-11 per cent., both on imports and an excise on its cultivation, and the same thing is done, I believe, in many of the towns throughout the country. Gentlemen, it is not for us to give the details of a scheme, but if this one article can produce 1½ lacs at Bombay, and can have an excise duty levied on every field cultivated with it at Lahore, why may we not tax it all over the country? and if that were done, it would go a great way to fill up the gap made by the proposals we lay before the Government. As to spirits I am not prepared to-day to go into the question at any very great length. Some duties are already levied on them, but all is not levied that might be. In Bombay alone, as I have already mentioned municipal duties are levied in addition to the imperial duties, and yield a revenue of about a lac and a half of rupees annually. Indeed, the whole municipal revenue derived here from the

sources which we have indicated amount to nearly £50,000 a year. That all such sources of revenue are properly imperial and not municipal sources it would not be difficult to show. This leads me to another subject upon which I will only make a few remarks, viz, municipal taxation on imported manufactures which have already paid Customs' duties. It is of little use agitating for the repeal of duties on imports and exports if they are to be reimposed in every town through which the articles pass. In 1868 the Government of India wrote a Minute which almost exhausted the subject: that Minute should be read, marked, learned, and inwardly digested by any one who takes an interest in the question. Unfortunately, the Government of India have contented themselves with writing that Minute. They did not see that the doctrines there laid down were carried out. We discovered the other day, upon authority that cannot be doubted, that in the town of Ahmedabad there is an import duty upon all English manufactures: Rs. 7 per bale on Twist; and 2 per cent. on Piece-goods. For low Twist, this duty amounts to 5 or 6 per cent. In Broach it is 2 per cent., and Lahore also. In all these towns metals are also taxed 1½ per cent. If this sort of things goes on, there is very little use our asking the Government to take off or reduce duties. It is laid down in the Government Circular that no octroi duties shall be levied on the following articles:—Articles liable to Customs' duty and imported into India by sea, *salt*, opium, fermented or spirituous liquors. The first and the last recommendation on the Government list are systematically set at naught by the Municipality. It is a pity that the Government of India contents itself with writing on the subject, and does not see that their recommendations are carried out. I do not think they would have been so slow in the case of salt or opium. In that case they would have looked a little quicker into the matter. I am not going to say anything about the plan upon which municipal taxes should be raised. This is neither the time nor the place for that. It is fairly treated in the Minute to which I have referred. They say in that Minute that town dues are generally objectionable and ought to be confined to a few articles of local consumption, such as ghee, firewood, vegetables, fowls, eggs, and animals for slaughter which do not enter into the *general trade of the country*. It is, however, to little purpose writing able and convincing Minutes, if the Government does not see their Minutes carried out. I am sure we shall all agree on this point that when once an article has paid an imperial import duty, it should be exempt from all further taxation, and should not be expected to pay whenever it passes into a town. Goods do not go at once from Bombay direct to the country villages. Bombay is a depôt for Ahmedabad, and Ahmedabad is a depôt for other smaller towns, and if all these towns are to levy a tax on goods, we can hardly wonder at the stagnant state of our import trade. This question has only recently occupied the attention of this Chamber. We are getting information on the subject, and then we will go not only to the Government of India, but to the Secretary of State, and we will show them that it is of little use complaining of import duties if

they do not also see that these inland duties are abolished. I have now put before you the main points of the proposals brought forward by the Committee. It is for you to say whether these proposals meet with your approbation or not. I admit that they are bold and sweeping—many of you may think too much so. But the challenge was made to us, and we were obliged to take it up. We have endeavoured to look at the question in the light of public, and not of private, interest, and we believe that by doing this we shall most surely contribute in the end to our own prosperity as merchants.

The CHAIRMAN on resuming his seat was cheered. He then proposed the following resolutions, which were seconded by Mr. J. A. Forbes :—

I.—That this Chamber would urge upon the Government of India the abolition of the following duties :—

1. The import duty on Cotton Goods and Yarns.
2. The import duties on Sugar and Dates—articles which are mainly imported into the Presidency of Bombay, and which really are necessaries of life with large portions of the population.
3. The import duty on all articles for which Bombay acts more as a depôt than as a place of consumption,—the gain to Government being small, and the trouble both to them and the merchant, and the hinderance to trade, great.
4. The import duty on many small articles which give little return to the revenue.
5. The export duties on all articles except those on Rice, Indigo, and Lac.

II.—That the Chamber is aware that all these reductions can only be made subject to the needs of the public revenue, but would suggest that the loss be made good from the following sources :—

1. Increased economy in public expenditure.
2. Diminished expenditure for a time on Public Works.
3. The institution of an excise tax on Tobacco, in addition to the import duty,—or, if more practicable, the establishment of a Government monopoly in the article.
4. All imposts on Tobacco, as well as on Spirits and Liquors, including licences to sell, to be taken out of the hands of Municipal and local bodies, and carried to the general revenues of the country.

Mr. KITTREDGE (Stearns, Hobart & Co.)—Mr. Chairman,—I beg to propose as an amendment the omission of Clause 1 in the resolutions before us relating to the abolition of the import duty on cotton goods and yarns. It is a very unimportant question

upon which two sides cannot be stated, and I think the arguments for the abolition of this import duty could not have been better placed before us than they have been presented by Mr. Watson to-day. It has struck me just now, and also when reading the report, as it appeared in the *Bombay Gazette*, of the interview Lord Salisbury had with the deputation of Manchester gentlemen who urged the abolition of these duties, that there seems to be a very generous desire on the part of Manchester to look after the interests of the people of India. The Manchester gentlemen never seem to consider themselves. The Chairman has told us to-day that Manchester has gained in her exports to the United States during the last few years from 23 million dollars to 28 million dollars, notwithstanding the protection duty which exists in America, and he led us to believe that if "protection" were not done away with in India, similar results would take place here. In the case of the Manchester deputation to Lord Salisbury, they seemed to be possessed with a great fear, lest there should be a diminution in the land revenue of India in consequence of the people devoting themselves to manufactures! Here in this Chamber the danger feared is that our local Mills will destroy each other by competition, unless Manchester Mills have extra facilities offered for competing with them! One thing, Mr. Chairman, seems to have been forgotten, and that is, that there must be some taxes. All taxes are more or less objectionable, and it is the duty of Government to levy taxes in such a way as will be least obnoxious to the people of the country. Now I confess that if the Government of India were going to arrange the revenues of India so as to favour the European merchants, they would adopt the Chairman's opinions, but if they wish to make the burden of the revenues fall fairly upon all classes, they will not agree to the propositions he has made to-day. It is very unfortunate that we have not in the mercantile bodies here that diversity of interests which we find in almost every other part of the world. In the cities of Europe and America if the Government asks an opinion regarding duties, the representative of every class of goods has his claims fairly stated. In India, however, we unfortunately deal in the same articles, import the same articles, and export the same. The great article of import is Manchester goods, and it has always been the case that when Government has asked our opinion on the tariff, we have replied, "Take off the duties from Manchester goods;" this being the course best calculated to improve our largest article of import. Now, Mr. Chairman, I will not use as an argument against the abolition of these duties the loss of revenue, because Lord Salisbury distinctly said that the revenues derived from these import duties could not at present be given up, and our discussion is simply on the principle of these duties. First, I wish to call your attention particularly to the fact that of all the means of raising revenue employed by the Government of India these import duties are the least obnoxious. Go through the whole list of taxes, and you will find this the case. Look at the taxes on land, the duties on opium, salt, stamps, spirits, drugs, and customs, and there is not one of them all so

little obnoxious to the people of India as the last. We are asked to-day to give up one half of the whole import revenues of this country, and no means have been proposed to us by which we will be able to raise the same amount without creating discontent. Now, Mr. Chairman, if any revenue can be spared, there are other things which should command our attention before the abolition of import duties on cotton goods. There are, for instance, export duties, road tolls, inland customs, and the duties upon copper utensils and other articles daily used by the natives, all which demand prior consideration. If the Chamber of Commerce were coming forward to propose the abolition of all import duties, that would be another question, but when we are asked to agree to the abolition of one-half of the whole import duties, and that off the goods which directly interest Manchester and English merchants, I say that we are asking for a tariff in English interests. About a century ago a suggestion was made in the British House of Commons that every American horse should be sent to England to be shod. That proposition was made at a time when England was regulating the tariff for America entirely in her own interests. The same policy was pursued by England towards Ireland. Froude says, "As regards Ireland's manufactures and tariff, England governed Ireland in its own interests. It destroyed the Irish woollen manufactures; it destroyed the Irish export of farm produce and salted provisions; it for a time repressed and curtailed the Irish linen trade." The result of that legislation is well known, and its experience taught England the necessity of permitting her colonies to regulate their tariff in their own way. I therefore say as regards the Indian tariff, it must be considered as it regards India, and not as it regards English manufactures; the time has come when India can claim legislation in her own interests, and in considering this subject to-day we should do so, remembering that we are influencing legislation for the people of India, and not strive in our own interests and that of Manchester to free ourselves from import duties regardless of the effect on the people of this country. My first objection to the abolition of the import duty on cotton goods and yarns is:—*It answers all the requirements of the best mode of taxation.* It is universal in its incidence; it is equitable, falling on each person according to his wealth; it is inappreciable; it is not obnoxious in its method of collection. There is not one article so universally used here as cotton goods; they are used by the poorest, and the richest, and all the intermediate classes, and the duty on these goods falls on every one of the population. Then the amount used by each varies according to his means; the poor ryot buys but a yard or two, and of the cheapest quality; the rich many yards, and of expensive goods. Further, no one appreciates the extra cost caused by the trifling duty of 3 or 5 per cent., in fact, generally knows nothing of it; and, lastly, the collector of the duties does not come in contact with the consumer to make the tax obnoxious. I claim, therefore, that no tax could be less objectionable. My second objection is: *There will be no gain to Manchester* by the abolition of this duty. If the import duties were

taken off to-day, competition would send down the price of Manchester goods, and they would be sold here at 3 or 5 per cent. less, according to the abolished duty, than they are sold now: Manchester spinners would not get one penny more for their goods than they do now. This fact was acknowledged by the Manchester deputation to Lord Salisbury. One of the chief speakers, Mr. Lord says, "His firm had received orders only a few days ago, for a particular kind of T. Cloth. He could lay that down at Bombay at a small profit, but if relieved from the duty, he could immediately by competing rates *reduce the price to the consumer in Bombay* of the cloth perhaps by 5 per cent.;" and again he says, "He had next to consider the consumer, who had at present to pay the cost of English manufactured goods, including all charges laid down in India, *plus the import duty of 5 per cent.*;" and again, "If, however, *they* (the consumers) *were relieved from a tax of 5 per cent. for clothing.*" You will thus perceive that the Manchester Chamber of Commerce admit that the abolition of the import duties would do Manchester no good. If, however, Manchester does gain, it simply means this, that the revenues of India are to be made to contribute 80 lakhs a year for the benefit of Manchester manufacturers. My third objection is that: *There will be no gain to India.* The people would certainly buy their cotton goods cheaper, but they would need to make up the loss of revenue in some other way. The saving in their clothing would be lost in other taxation which the Government of India would be obliged to impose to make good the loss of revenue; as regards, therefore, the people of India, it would be simply putting into one pocket and taking out of another. As, therefore, it is an equitable duty, as neither Manchester nor India gains by its abolition, unless it can be shown that the revenues can be made up in some better way—and nothing of that kind has as yet been advanced—I don't think you can reasonably adopt the Chairman's resolution. There can be but one object in this attempt to get the duties removed, and that is the destruction of the competition which Manchester has now to meet with in her manufactures. Agricultural countries are proverbially poor countries, and India is no exception to the rule, and while she has to depend, as has been the case until very lately, wholly upon agriculture, she will remain poor. Fortunately for India two new industries have lately arisen here, mines and manufactures —the two industries which have given England her wealth and her power. The manufacturing interests here already give employment to many thousands of people; they educate and enlighten those people by bringing them into contact with machinery, the product of great genius; they open up a field for skilled industry in the superintendence of the various departments of manufacture; and they bind the interests of the people intimately with those of the Government. If you look at the question with regard to the wealth India has gained by her new industries, with regard to the enlightenment of the people who have been brought into contact with them, or from a political point of view, you must perceive in these industries a

growing source of good for India. Though hitherto tolerably successful, it would take but little to check these rising industries; though money hitherto employed in gambling in cotton and speculating in shares has been of late very rapidly flowing into them, it will take but a small percentage on the value of the goods to wipe off all profit and turn these enterprises into failures. Manchester knows this, and though not fearing present competition, she looks forward to the time when the number of mills will be largely increased and a better class of goods made, and she feels that if she does not try to strike a blow now she will be too late. When these mills become better established in this country, and the owners have gained experience and learned economy, the difference of the duty will not affect them. Industry will go on increasing in spite of it; now is Manchester's only chance to check the extension of these mills, and she desires to crush India's new industries in their infancy. And this, Mr. Chairman, is to be done in the name of free trade, and this manufacturing industry must be checked on the plea that they are growing under Government protection; but what is free trade? Free trade is the non-levying of any import duty for the sake of fostering or assisting the industry of a country; the levying of a duty for the sake of revenue only is not contrary to the principle of free trade, and the small duty of 3 and 5 per cent. levied in India on cotton manufactures, smaller than the duty on many of the necessaries of life, is simply a revenue duty. Free trade does dot require you to take off a duty which falls equitably upon the people of the country, and reimpose it in some less equitable way that the foreigner may be protected. If an import duty must be abolished because the article upon which it is imposed is produced or manufactured in the country, we must take off the duty upon American tobacco, because it "protects" tobacco grown here; off spirits, because it "protects" spirits made here; off Mauritius sugar, because it "protects" the sugarcane grown here; and so on through the whole list of dutiable articles. There is not one which cannot claim freedom from duty if a small revenue duty means protection. But does England show the example of abolishing her duties in the interest of India? How do the revenues stand? England taxes 23 articles valued at 52 millions, giving her a revenue of 24¾ millions. (I take these figures from the Trade Report of 1871.) India taxes, excluding salt, 46 articles, with a valuation of 27¼ millions, giving her a revenue of 1⅝ millions only (I take these figures from the Trade Report of 1873), and it is half of this small revenue which we are asked to give up. Coffee, tea, and sugar, in which India is large shipper, pay England 9½ millions or six times India's revenue from import duties. The Indian Trade Report of 1873 gives 106,377 cwt. tobacco as last year's export to the United Kingdom; this at 3s. 6d. per lb. the import duty in England on tobacco amounts to no less than 2 millions.

The CHAIRMAN was of opinion that Mr. Kittredge was mistaken in supposing that all this tobacco came from India alone.

Mr. KITTREDGE did not think he was mistaken, and continued—If Manchester wishes ha lf our revenue from imports abolished

for her benefit, should not England show the example ? But Manchester says she only wants fair play, and that now she is heavily handicapped; how does the question stand ? What advantages has the English manufacturer over the Indian ? The former has cheap money, both for his first outlay and for carrying stocks in a dull market, private capital ensuring greater economy in working, cheaper machinery, cheaper coal, cheaper stores, and cheaper superintendence with none of the risks attaching to such labour, intelligent labour ensuring less waste, a large and varied demand for his goods, and the best and cheapest cotton market at his door. This last seems an anomaly, and the Manchester deputation led Lord Salisbury to understand that the Manchester manufacturer had always to pay for the expenses of cotton between India and Manchester. But I contend that this is seldom the case. I am sure for the last five years the books of almost every firm in Bombay will show that Manchester has not paid these charges. We have sold "to arrive" in England, hoping the market here would fall, and we have always been ready to ship at ruling prices, hoping the market in England would go up, and that we should make something. There have been many rises and falls, but they have all been in the wrong place. (Laughter.) Since the extension of telegraphs throughout the world, the largest markets and the great centres are the places where goods are to be bought cheapest, an illustration of which is that you can buy anything you like in London cheaper than you can in the place of its actual production. I again urge that India has no advantage in the cost of cotton, as Manchester has close to her the largest and best cotton market in the world, with its infinte varieties of cotton selling most generally at a loss to the shipper. But allowing for argument's sake that she is at a disadvantage in her cotton, what has India to contend against ? She has dear money, careless management by companies because of the want of private capital, dear machinery with the danger of loss and delay in case of accident (by the necessity of waiting till new can be ordered from England), dear stores and coals, dear and often unsatisfactory superintendence because of the ignorance of English superintendents in the language and manners of the natives, because of ill health and of bad habits; besides this, there is a greater waste and smaller out-turn of their goods, from unintelligent labour, greater depreciation of machinery, higher rates of insurance, and only a local market for goods. Indeed, what have their profits been ? For an average of years past the Mill Companies have been paying 7½ per cent., but they have been allowing nothing or a very small allowance for depreciation in machinery—not as much as is allowed in England, though the depreciation is greater. The balance actually left is a very small return on their capital. Now, Mr. Chairman, I do not believe that Manchester is handicapped in the competition with India, but I am confident that it is the Indian millowner that is handicapped ; from all I can learn the manufacturers in Manchester make more money in the classes of goods in which India competes than the Indian Mills can. But even supposing that Manchester is handicapped, are there no other interests in England than those of

Manchester? Is it nothing that Bengal imported last year 51¼ lakhs worth of machinery against 14½ two years ago; that Bombay imported 35½ lakhs worth against 12½ lakhs two years ago? Is the increased quantity of coal and stores of no account? Are these English interests to be ignored that Manchester may put down competition? But in the interests of Manchester herself, I consider hers a very short-sighted policy. If she has regard for her own interests and wants to make large shipments of cotton goods to this country, she will not be able to do it by abolishing the proposed import duties. The Chairman has already shown how she has increased her shipments to America, notwithstanding the obstruction of protection duties, and the large produce of mills fostered by that protection; and why should she not be able to do similarly in India? If she would give up her own selfish policy, urge the abolition of export duties, encourage manufacturing, use her influence to improve and enrich the people of India, she would create a much better market for her goods than by the course she is now adopting, which, if acted on, must tend to keep India poor and impoverished. Yes, Mr. Chairman, look at it in whatever way you like, the policy embraced in the proposed resolution is bad. As regards Manchester it is short-sighted; as regards England it is unfair; as regards India it is most unjust. I, therefore, disapprove most strongly of the first clause of the resolution proposed by the Chairman. The import duty on cotton goods is an equitable means of revenue; its abolition will benefit no one, while it will necessitate a less equitable tax and will check a growing industry which alone can make India rich. Any such action would be in my opinion a gross injustice to the people of this country. I move, therefore, as an amendment that clause 1 be struck out of the first resolution.

The amendment was seconded by Captain Henry.

Mr. DONALD GRAHAM—I agree with Mr. Kittredge that in framing the Indian tariff the interests of India should be considered, and not those of Manchester. I hope we or the Bombay Chamber of Commerce consider it in this way, and not as a body of merchants interested in one article and anxious to have that article alone relieved. I also agree with Mr. Kittredge in thinking that there are other articles which have equal claims to those of piece-goods. I think myself that exports have the first claim. My difficulty in supporting the resolutions which you, sir, have brought forward is this, that if they are accepted we shall have an expensive Customs Department without a revenue, or at least without a revenue of proportionate importance. My feeling is that if the Government of India are prepared to go so far, they had much better go the whole length and abolish the Customs Department altogether. I believe this would be for the true interests of the country.

The Hon. J. K. BYTHELL—Mr. Chairman and Gentlemen,—Although I do not agree with the whole of the second resolution proposed by the Chairman, still, as the discussion is now narrowed by Mr. Kittredge's amendment that the import duty upon cotton goods and yarns be not abolished, I must say that I intend to

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support that portion of the resolution in opposition to the amendment. In spite of all the eloquence with which Mr. Kittredge has urged his case, I must confess that he has not converted me to his protectionist doctrines. Of course, it is too much to expect that such a thorough-going patriot as Mr. Kittredge would argue that the fiscal policy of his country for a number of years has been a grand mistake. At the same time I think you will see that Mr. Kittredge is only a half-hearted protectionist. I cannot forget that not quite two years ago he spoke as strongly in favour of the export duty upon wheat being removed, as he has now done in favour of import duties being retained. He also now would abolish the export duty upon some other articles, and I think we may conclude that year by year he will add more articles to his free-trade list until we shall find him developed into a thorough-going free-trader. He spoke very sarcastically of the objects of merchants in Manchester and Bombay in bringing these resolutions forward. His main charge against us is that our policy is an exceedingly selfish one, because our motives are entirely in the interest of European merchants, and, at the least, intended to further the interests of England at large in opposition to those of India. I think the same sort of argument might very fairly have been used by Mr. Kittredge's opponents when he brought forward the proposal to abolish the export duty on wheat a year and a half ago. His great argument was that if the export duty were abolished, it would be good for the trade of India, and as the merchants of Bombay were supposed to benefit, and did benefit, by the abolition of that duty, it would have been as consistent then as now to raise the cry of selfishness against English merchants. This illustration shows that it is difficult to throw these charges about promiscuously, and that those who live in glass-houses should not throw stones. Mr. Kittredge brought forward a good many arguments in favour of these import duties. He said, for instance, that it was not an obnoxious tax because the collector did not appear offensively upon the scene. But that is a very wide phrase, and it appears to me that there is really nothing in it, as it applies to almost every import duty that can be named. He also said that the incidence of the tax was universal and fair in its application, because all people in the country made use of Manchester goods, and therefore contributed a small portion to the revenues. In this matter he has made a slight mistake. I believe the poorer classes do not consume Manchester goods to the extent he imagines. Native-made cloths and handloom cloths are used by these people to a very great extent.

Mr. KITTREDGE remarked that he said "cotton goods," and not "Manchester-made goods."

Mr. BYTHELL—Well, Mr. Kittredge knows that cotton cloths made in the country do not pay duty and Manchester cloths do, and his argument virtually amounted to the assertion that the poor classes do use Manchester goods, for he stated that the tax was universal in its incidence. Mr. Kittredge argues that India wants manufactures, I agree with him, but do not think she will get them by

protection. We have the fact before us that 3 per cent. export duty is already being paid; and a large proportion of local-made goods is nevertheless being exported to Arabia, Persia, and Africa, and consequently if the import duty were abolished, I think we might look forward to what Mr. Watson has argued, that India could compete with Manchester to a very great extent in the Eastern European and Western Asian markets. There is no reason why this should not be done. India has the raw material on the spot, and that great advantage is not counterbalanced by the disadvantages of having dearer fuel and working expenses. It is quite true, as Mr. Kittredge says, that she now suffers by having to pay so much for management, and because the work-people are not on the whole so skilled as those of Lancashire; but knowing as we do the native character, which is distinguished by an aptitude for mechanical skill I think we may look forward to the time, which I do not think is far distant, when the Indian Mills will be able to get on with native managers, and do away altogether with European managers, who do not know the language, and are often otherwise unfit for their posts. We may also look forward to the time when the labourers will be as skilled as Lancashire labourers. Considering these facts, and looking to the fact that India has an export trade at the present time in spite of the export duty, and also to the fact that these low goods and yarns are consumed in such large quantities by neighbouring countries, I think that there is a great deal in Mr. Watson's remark that what Bombay has to look forward to is not increased consumption in India of local manufactures, but the increase of trade in countries outside of the local markets. I believe that if the Mills here try to make fine numbers of yarn, they will only lose money, because Indian cotton is not suited for this class of work, and when fine numbers are wanted, better management and greater care are required than are at present to be found in India, but which exist plentifully in Manchester. I could not follow Mr. Kittredge in his argument to the effect that Liverpool buys cotton as cheaply as India can. He said that either the whole of the Indian crop is sold in advance or is shipped on the speculation that prices may rise at home, from which supposed fact he deduces the inference that, therefore, Liverpool must buy her cotton as cheaply as India. I quite admit that nowadays margins are often microscopic. But it is only when supplies here are very small that transactions of the nature to which Mr. Kittredge refers keep prices here at a fictitious level. When supplies are large there is always some margin, though not large perhaps, and at that time local manufacturers have not only the advantage of that margin, but also of all the expense of taking the cotton to England and bringing it back again as piece-goods—an advantage which Mr Kittredge argues they have not. There can be no doubt that if in the long run nothing could be made out of the cotton trade everybody would leave it. There are no doubt losses at times, through such sweeping changes as the Franco German war, during which prices went down 3d. a pound; but, on the average, there are seldom such political revolutions, and cotton is sent forward from India to

England at a margin of profit of some kind. You will therefore see, gentlemen, that Mr. Kittredge's contention that the Liverpool manufacturers can buy cotton as cheaply as local manufacturers cannot bear examination. I won't detain the meeting by entering into the merits or demerits of free trade, because there is very little need for any one to do so, when we find Lord Salisbury one of the most Conservative of Conservatives, expressing the opinion that the import duties in themselves are indefensible. Nor, considering the nature of Mr. Kittredge's amendment, do I need to enter into the question as to how the extra revenue is to be raised if the import duties are abolished. I must say, however, that I was very glad to hear the Chairman draw attention to the need of the Government of India inquiring into the system of local municipal taxation all over this Presidency. (Hear, hear.) I am sure on examination it will be found to have grown to dimensions we little dream of.

Mr. KITTREDGE rose to call attention to a point of order. The matter now being entered upon by Mr. Bythell was not before the meeting.

Mr. BYTHELL—At all events, I may congratulate the Committee of this Chamber for determining to call attention to municipal taxation. The Mofussil Municipalities Bill, passed by the Bombay Government last year, gives Municipalities power to levy taxation upon any article. There is no schedule attached to the Bill, and the general result is that severe taxation in the shape of transit duties is springing up throughout the length and breadth of the Presidency. (Hear, hear.)

The CHAIRMAN—It was stated by Mr. Graham that if the duties were abolished, there would be a large and expensive Customs Department, while there would be very little revenue to collect. But I find there would still be about a million and a quarter sterling to collect.

Mr. KITTREDGE—I beg your pardon.

The CHAIRMAN—Really, you must take my statement for what it is worth. The amount to be collected will be as much as it was in 1858-59, and of course if we have diminished revenue, there will be a diminished staff to collect it, while a staff of some sort will always be necessary for the collection of the opium and tobacco revenue. I do not think much need be said in answer to Mr. Kittredge. A great deal that he said I certainly do not agree with. He spoke of the relative power of the Bombay manufacturer and the Manchester manufacturer to produce cotton goods at a cheaper rate; but the whole thing has yet to be fought out. If what Mr. Kittredge says is true, then the prospects of the Indian millowner are in a bad way. Listen to what the Secretary of State says—"I should be very sorry to believe that any vested interests were springing up in India that based themselves on the permanent continuance of this duty as a part of their success. If there are any such they are deceiving themselves." I remarked that American manufacturers could not compete with the English manufacturer on account of the debilitating system of protection;

for he has to pay dearly for almost everything he uses. I also said that if you give the Indian manufacturer the free and bracing air of open competition he was much more likely to be able to compete with the English manufacturer than he would be if he were "coddled" with protection. As to "selfish manufacturers," and selfish people generally, I have no intention to enter into a discussion upon that subject. I think the more we avoid such allusions the better, and I am sure it is a great pity such charges are brought against us not only here, but elsewhere. If such a spirit were suppressed, public interests could be served quite as well, and the persons who indulge in it would consult their own dignity a great deal more. I am satisfied that I work in the matter with an honest intention, and I am willing to credit everybody else with an equally good motive. As to what has been said about the English duties on tea, sugar, &c., there is this peculiarity of the English fiscal system to be borne in mind,—there is no import duty levied upon any article which is not counterbalanced by an excise duty of the same value. Mr. Kittredge must be aware that not a single pound of tobacco can be grown in England. On the other hand, I don't think there is a single article admitted free to Great Britain upon which there is any excise duty. In the great reforms of Sir Robert Peel and Mr. Gladstone, this was always one of the fundamental principles at work—tax nothing produced at home, but if it is produced at home and taxed, put an equivalent import duty upon its admission to the country. Therefore, the charge of selfishness against Englishmen must fall to the ground. With regard to what has been said about Ireland's wrongs, I think Mr. Kittredge must have been studying Fenian literature. What he alluded to belongs to the bygone days of protection, and was repudiated by English statesmen forty years ago. I do not think much is to be gained by introducing such subjects nowadays, although they might always be acceptable at College Green in Ireland. (A laugh.) Gentlemen, the person we have to consider is the consumer. It is not in the interests of the manufacturer, or the Bombay merchant, or the Manchester manufacturer, that we must seek to obtain legislation. We must legislate in favour of the consumer only. That is a principle of English economy which has been carried out for many years, and which should be carried out in India as soon as possible. He is no true friend of the Indian manufacturer who would say otherwise.

Mr. KITTREDGE—One remark I must make. I deny that I have spoken from a protectionist point of view. I take up this ground. We have a revenue of 80 lakhs which comes from the people in an equitable, non-obnoxious, and inappreciable manner. By abolishing the import duties on cotton goods and yarns, you gain nothing for the people of India, nothing for Manchester, and you have yet to make up the lost revenue by some obnoxious taxation. That is not protection.

Mr. GRAHAM—I cannot agree with the Chairman that the cost of the Customs Establishment would be in any way reduced. The

reduction would be a million and a half, and the amount left to be collected would be less than a million.

Mr. Kittredge's amendment was put to the meeting and lost.

Mr. KITTREDGE then proposed that Clause 2 of the Chairman's motion should be left out, because he certainly did not consider Mauritius sugar a "necessary" for the people when there was plenty of Bengal sugar, which was cheaper and on which no duty was paid, and which was in fact the kind bought by the poorer classes. Mauritius sugar was used only by the well-to-do classes who could well afford to pay the duty; a revenue of over 4 lacs could not be thrown away on such false grounds. As regards *dates*, he stated that they were imported into Calcutta, as well as Bombay, and the classing them among the necessaries of life was absurd, as they were, like all fruit, a kind of luxury. Mr. Kittredge said that as there were only two members of the Chamber present beside the members of the Committee who drew up the resolutions, he would not then enlarge on that subject.

The amendment was lost.

Mr. KITTREDGE said that he had several more amendments to propose, but it was useless for him to offer further amendments that day.

After some discussion, the meeting was adjourned for a day, in order to give Mr. Kittredge an opportunity of bringing forward his other amendments.

THE adjourned meeting of the Chamber of Commerce was held on Wednesday, the 6th January, at 12 o'clock noon.

The CHAIRMAN, Mr. Watson, opened the meeting by stating that two amendments had already been proposed and negatived. They were very unwilling to do anything that could be considered as stopping discussion, but he might mention that when a series of resolutions was moved, the universal custom was that if an amendment were moved and negatived, the same mover was not entitled to go no moving *ad infinitum*. He thought that with a view to saving the time of the meeting it should be understood that if Mr. Kittredge moved again, he should move an amendment applying to the whole resolution, and if it were negatived, the resolutions must be put to the meeting. He thought Mr. Kittredge's good sense would show him that under any other system it would be impossible to carry on business. In the House of Commons this was always done. He did not think it was any hardship for Mr. Kittredge to put all he had to the meeting at once, and let the thing be decided. They were very unwilling to do anything that would interfere with Mr. Kittredge, but he thought it was only fair that this should be done. Besides, he thought it was only fair to the resolutions of the Committee because these things were moved more or less as a whole.

Mr. KITTREDGE said that the custom referred to by the Chairman was certainly not the custom of the Chamber of Commerce, as far as he was aware, and he had been a member of it for twelve years. However, had the Chairman stated the day before that one amendment was necessary according to the rules of the Chamber, he was prepared to propose one, but it seemed to him that when a resolution contained five entirely different subjects, it was impossible to get on one amendment a fair decision of the Chamber. If the Committee wished this rule carried out, they ought to have proposed five resolutions, and though he would now give in one amendment all his objections, he contended that it was impossible to take the fair sentiments of the members of the Chamber in this way. It seemed unfair for the Committee to put in one resolution five different propositions, and insist on one amendment being made to the whole. He had first to apologize to the members of the Committee and the other members of the Chamber who were willing to come to the meeting to-day and vote down his amendments. He had no hopes of carrying a single one of them, but he wished to assure the members that he did not make them because he wished to be obstructive. He felt that the principles in these resolutions were selfish, inexpedient, and unjust; and even though he did not expect to carry his views here, and if he were not presumptuous enough to hope to have any effect on the Committee at Calcutta, he still felt bound to come forward to protect against the principles of the resolutions. He now proposed as an amendment, as he had to put all his objections into one amendment, that clauses three and four of the first resolution should be left out, and that in clause five the words "and seeds" should be omitted, and that there should be added the following words: "these the Chamber urges upon the Government of India as the first duties demanding consideration." With regard to the third clause, they were asked to suggest to the Government of India the abolition of the import duty on all articles for which Bombay acted more as a depôt than as a place of consumption. He thought this was too indefinite. The Committee were bound to lay before them what articles were referred to, so as to give them an opportunity of saying whether those articles they meant, and which the Chairman of the Committee would probably urge in Calcutta for abolishment, were articles which they considered gave little gain to Government. The Chairman had referred to two articles. The first was coffee, and there he (Mr. Kittredge) agreed with him, and he might agree with him as to most of the others also; but when he came to ivory, and said that ivory gave them from 20 to 30 thousand rupees a year, he could not agree with him. Ivory was, moreover, a luxury, and could afford to pay a duty. Furthermore, Government now allowed goods to be entered *for export*, and transhipped without payment of duty. This being so, he thought they could not go forward and ask Government to make such a radical change without being more definite. To the forth clause he made the same objection. What was a "large" and what a "little" return? He did not think the Committee could ask the Chamber to pass such a resolution as

this. The Committee should give the list of the articles they wished excluded from duty. Then, besides, they could not in India collect a large duty on any article, except on cotton goods, which they wished freed altogether. When they asked that the largest export duties should be taken off, and then all the small ones also, there was not enough left to pay the expenses of collecting. With regard to the fifth clause, he thought his amendment would have almost no opposition. Members would notice that they had put at the head of the list what they knew could not be carried out. Lord Salisbury had said that the import duty on cotton goods and yarns could not now be taken off. It was right to bring it forward, because the Government of India had asked the opinion of the Tariff Committee on the subject; therefore, the discussion was a fair one, but that clause should not stand first, unless they told the Government of India that they thought the "first should be last and the last first."

The CHAIRMAN said he quite agreed with Mr. Kittredge's last remark.

Mr. KITTREDGE said he would not detain the meeting longer. He was sorry that the resolutions could not be put separately, and he wished to protest against the motion on the second clause having been put to the meeting on the previous day. He had not understood that it was put, for he had distinctly said that as there were only two members present besides the Committee he did not wish to finish what he had to say on the subject.

Mr. HALL (Messrs. Nicol & Co.) said he desired to second the amendment proposed by Mr. Kittredge. Circumstances over which he had no control had prevented his being present at the meeting on the previous day, which he much regretted. He might possibly be out of order if he made any remarks on the first and second parts of the resolution, but he hoped that would be pardoned. He could not help, when he first read the papers, being struck with the fact that there was a great deal that was impracticable in the resolution. He had gathered from the papers that morning that a good deal had been done on the previous day which would tend to make the discussion of this question a matter of protection versus non-protection, and that this proposal had been put forward as if in favour of the Bombay Mills. Now, it seemed to him that the question really did not touch this point at all. He had long held free trade views, and he thought the Government of India might be justly described as a free-trade Government. What compelled the Government of India to retain these duties was not that it wished to impose protection duties, but that it found them absolutely necessary to raise revenue. He recollected reading some years ago a speech by an eminent Manchester magnate. Referring to India, he said they should consider this vast country with its immense population, and then he did not say what was their duty with regard to this country, but he said, "consider what an amount of calico it must consume." (Laughter.) Well, he (Mr. Hall) admitted that this question was considered in Manchester in the interest of cotton goods, but out here they were in quite a different position and if they abolished the duty on piece-goods, on salt, on opium,

or on anything else that would reasonably benefit the people of this country, they, as merchants, would be benefitted, and so far as that went they would be selfish. But they must regard these duties as affecting the interests of the Empire. Now, the first thing that struck him (Mr. Hall) was the knotty financial point—the question of opium. Every one knew it was proverbial that this duty was a ticklish one, for the Government of India might some day find the demand for opium in China short, and this large item of revenue might fall off, and as long as that stared them in the face, they could not go to the Government of India and ask them to take off the innocuous tax on piece-goods. Next there was salt. It was a necessary of life, and as a free trader he though that just as in England free trade had first been made to apply to the food of the people, so it ought first to be made to apply to the food of the people here, and until that salt revenue could be decreased, they had much better hold their tongues about piece-goods and cotton. But the trade for the last five or six years had not been very lucrative. They all knew that the import to this country was too heavy, and if the duty were abolished, it would benefit nobody. It seemed to him, therefore, in making this proposition to the Government of India, they had got to come with some complete scheme, and there was nothing very complete in these resolutions. If as a citizen he were asked what duty should be taken off first, he would say salt, and, thinking this, he was not prepared to ask for the duty to be taken off on piece-goods and yarns. The general spirit of Mr. Kittredge's amendment he would support. He supposed they would afterwards come to consider the question of public expenditure and diminish expenditure on public works—things which had been taking up the attention of the Government of India for some years past. They were aware that Lord Mayo's idea was to diminish the expenditure on public works.

The CHAIRMAN—I think it was the other way; he wished to increase it.

Mr. HALL said he would like to hear what the gentlemen who proposed these resolutions had to say on this point. He had much pleasure in seconding Mr. Kittredge's amendment.

The CHAIRMAN said that with regard to Mr. Kittredge's amendment he wished to say that the last part of the amendment the Committee had no objection to adopt. He wished also to explain, what was the general sentiment of the Committee, that the resolutions had been drawn up in great haste. With regard to the other two parts of the amendment he thought it was impossible for the Committee to go through all the statistics connected with the trade of Bombay and Calcutta, and detail exactly those articles referred to. It was after the resolutions had been drawn up that it had occurred to him that coffee and ivory were two most important articles. With regard to what was said by Mr. Kittredge, that the Marquis of Salisbury had said it was impossible these duties could be taken off, he should like to see the part of his speech where he said so. What the Marquis said was that he hoped the state of the finances would soon be such as to

admit of the duties being refunded, and that such a refund would be for the benefit of both countries. In this that eminent statesman entirely disagreed with Mr. Kittredge and Mr. Hall, and he (the Chairman) was very content to disagree with them in such company. (Hear, hear.) He could not sit down without expressing his regret that Mr. Hall had not been able to attend the meeting on the previous day. With regard to what Mr. Hall had said he was sorry he could not agree with most of it. At the same time it was a subject which he had gone over on the previous day till he was tired of it, and he would not occupy the time of the meeting longer now. There was only one other thing he had to say, and that was on the subject of the recommendation to increased economy and diminished expenditure on public works. The Committee would be very happy to give their plan when the Government of India called them in. It was not for want of ability that they did not give it, but because they did not think a political question of that kind should be entered into by a commercial body. He would now put the amendment, which had been proposed by Mr. Kittredge, and seconded by Mr. Hall, to the meeting; the latter part of the amendment had been adopted by the Committee.

The amendment on being put to the meeting was lost, only the proposer and seconder voting in favour of it.

The Chairman's proposition, with the alteration suggested by Mr. Kittredge, and also one or two verbal alterations, was then put to the meeting and carried. Its altered form was as follows:—I. That this Chamber would urge upon the Government of India the abolition of the following duties:—1. The import duty on cotton goods and yarns. 2. The import duties on sugar and dates—articles which are mainly imported into the Presidency of Bombay, and which really are necessaries of life with large portions of the population. 3. The import duty on all articles for which Bombay acts more as a depot than as a place of consumption,—the gain to Government being small, and the trouble both to them and the merchant, and the hindrance to trade, great. 4. The import duty on many small articles which give little return to the revenue. 5. The export duties on all articles, except those on rice, indigo, and lac, and these the Chamber urges upon the Government of India as the first duties demanding consideration.

The CHAIRMAN said they had better now proceed with the consideration of the second resolution, which had already been moved and seconded, and he would suggest that in this case the amendments should be put together also.

Mr. KITTREDGE—Have I a right to move that this meeting resolved itself into a Committee, in order that we may discuss the different parts of the resolution separately? I think it would be much fairer, and it would save time, if we did this rather than discuss four entirely different subjects together.

Mr. A. C. GUMPERT—I beg to second the proposition.

The Hon. Mr. BYTHELL thought the request might be complied with.

The CHAIRMAN said that their view was that they recommended a general course of policy, and any amendment should vote a different course of policy. He also thought it was desirable that if a person got up on his legs he should say all he had to say and be done, rather than bump up and down five or six times. Mr. Kittredge had a long string of resolutions to propose, and it would be much more convenient if he put them all together.

Mr. KITTREDGE objected to the expression "a long string." He had only two amendments to propose, and therefore the expression was not fair.

The CHAIRMAN—I do not see that there can be any objection to calling a lot of resolutions a long string. The language is strictly Parliamentary.

The opinion of the meeting was then taken as to whether the different clauses of the resolution should be discussed separately or together, and it was decided that each should be taken separately.

The CHAIRMAN then proposed the first clause of the resolution, which was as follows :—That the Chamber is aware that all these reductions can only be made subject to the needs of the public revenue, but would suggest that the loss be made good from the following source : Increased economy in public expenditure.

Mr. KITTREDGE—I understand that the proposition is that we should recommend to Government, as a means of reduction, increased economy in public expenditure. I oppose this because it is indefinite. I think that if the Chamber of Commerce is to come forward on this subject, they should state on what points public expenditure can be lessened and where there can be economy. Simply to come forward with such a general statement stultifies the Chamber.

Mr. HALL said he would oppose the proposition because it seemed to him impracticable. The estimated expenditure of India in 1873 74 was 52 millions sterling, of that 15½ millions was being expended on the army. Every one who had read the newspapers must know that there was now an increased expenditure in the army, and they were going to ask the Government of India to go in for increased economy when every one was crying out for increased expenditure.

Mr. GUMPERT said he would oppose the proposition, because its terms were too vague. It was not clear whether "increased economy" meant curtailment of expenditure or more careful expenditure. Of course, careful expenditure was desirable, and could not be urged too much on the Government of India ; but if curtailment of expenditure on necessary works was meant, he did not think it could be the wish of the Chamber to convey such a meaning to Government.

Mr. GRAHAM said that if there was one item on which they might urge economy it was on the item of home charges. He did not blame the Government of India, because he thought they were very much in the hands of the Goverment at home, and perhaps it would strengthened their hands if an expression of opinion were given, showing that the Chamber thought the expenditure at home

too large. He did not pretend to criticise the item, but 3½ millions sterling on the army at home seemed very large, and the same might be said of other items, and he would like to point out the damaging effect the large amount paid by India to England was having on the trade. That was shown in the operation of the Council drafts. He did not suppose that as far as things had gone much could be done, but he thought a representation might be made with regard to them. For instance, it seemed to him that loans might quite as well be issued at home as in India, and by making certain changes in the present system much might be done for the good of the country in future. (Applause.)

The Hon. Mr. BYTHELL said that he would support the resolution, because although it was difficult to answer offhand Mr. Hall's and Mr. Kittredge's request to name the ways in which expenditure could be reduced, still after the facts placed before them by the Chairman the day before, there could be no doubt that the expenditure in India had during the last twenty years been greatly increasing without a corresponding rise in prices, and it was now extravagant. As Mr. Watson had stated, the increase since 1865 was something like twenty millions. There had been an increase of from about 32 to 55 or 56 millions, although the area of country and the population to be governed had not increased in the mean time. Now making all allowances for the fact that soldiers cost more, and that there had been a general rise in prices, he thought with that fact before them it was not a matter of doubt that the expenditure was extravagant. Mr. Graham had pointed out one serious item—the home charges, and the mere fact that the Parliamentary Commission was appointed last year to inquire into that question proved that even statesmen at home and the British Parliament did believe this question of expenditure needed serious attention, and he must say it was not at all out of place for the Chamber of Commerce to place it on record that they thought this matter should have some further attention paid to it by Government. There was one source of expenditure which had just been strongly referred to, and that was the Bengal Famine. That was of course an extraordinary thing, and so far from arguing that when they had an extraordinary occurrence like that to deal with money should not be spent, he would say spend it freely. He did not think the criticisms on the Government of India about the famine were fair at all. If such a work had to be undertaken suddenly, he would not object to the expenditure.

Mr. HALL said he wished to call attention to the fact that the expenditure of the Government of India had been considerably reduced during the last few years.

The CHAIRMAN said he had very little to add to what he had said the day before. He thought Mr. Bythell had said everything he himself could have said on the subject. He would merely reply to one of the remarks of Mr. Hall, that he did not blame the Government, who were to a certain extent in the hands of their own servants, and he therefore thought they should support the Government in their efforts to enforce economy. He certainly thought

that they as an independent community ought to strengthen the hands of Government. The Government were very much in the hands of their servants, and consequently the tendency to check expenditure must always be comparatively weak. He believed this much from what he knew of the members of the service, they had a great deal too much sense ever to be satisfied. Who would be satisfied while he thought he could get more by being dissatisfied? But this was no reason why the Chamber should not say that they thought the expenditure was extravagant.

The amendment was then put to the meeting by the Chairman and lost.

The original proposition was then carried by eight votes against three.

The CHAIRMAN then said that the second part of the resolution was that they suggested that the loss be made good in the meantime from diminished expenditure on public works.

Mr. KITTREDGE said he objected to this resolution on the same grounds as he objected to the other; it was too indefinite. Government looked to them as practical business men to make practical suggestions. Now, they had lately asked the Government of Bombay to build a dock. Did they want that deferred? They had asked them to build the Rajpootana Railway. Did they want that deferred? Or was it only public works in other presidencies which could be put off. Let them state distinctly what works they wanted deferred. Then they said "for a time." How long a time? And when that time was over, what would they do? These resolutions simply amounted to platitudes, and would bring no credit on the Chamber.

Mr. HALL seconded the proposition, and referred to the Bengal Famine as a case when large expenditure was necessary. He thought it very unadvisable to vote such a resolution, for his part he was in favour of a much larger expenditure on public works.

Mr. BYTHELL had said that the criticism on the Bengal Famine had not been fair. The only difficulty that presented itself to him (Mr. Hall) was where the interest on the money was to come from. He found something like seven millions sterling already borrowed, and this at four per cent. They had to find the money for this somewhere, and in the face of this it seemed inconsistent to say that the works were perfectly right, but the expenditure must be reduced. This had been very forcibly discussed in the House of Commons before Mr. Forsyth's Committee, but he feared that nothing practical had been done. He for one approved of expenditure on public works in India, and believed they paid Government well.

Mr. GRAHAM said he supported Mr. Kittredge because he would rather see public works prosecuted than the import duties on cotton goods and yarn abolished, as recommended in the resolution.

The CHAIRMAN said that with regard to the expenditure on public works the expenditure on the Rajpootana Railway did not appear in the Government expenditure at all. It was a distinct

thing. So also with the docks. They would be provided for by that good friend of the trade of Bombay—the Port Trust. If they made it as they ought to make it, there would be no difficulty in paying for it at all. What he wished to bring forward was that the best Public Work Government could take up was the work of free trade. He thought what they as merchants should stand up for was this—the great principle of free trade. He thought there were a great many public works which might stand over if the Government wished to save money. He had the greatest reluctance to enter into particulars, but he thought they ought to make a general protest.

Mr. GUMPERT said he thought the Chairman's remarks applied to the first resolution rather than to the second. He thought the Government should not only spend their money to the last farthing on public works, but even raise money by loans in order to develope the resources of the country. Even if the docks for Bombay and the Rajpootana Railway were to be exempted from the comprehensive term "public works," surely there remained a great many public works of which the country stood in need. For instance, there were roads. Any one who had travelled through the mofussil must have been struck with the miserable condition of the roads. To go therefore to the Government of India with a proposal like this was not, he thought, during justice to the people of this country. The Chairman had no doubt brought forward arguments which would carry a great deal of weight on the hustings with the "great unwashed"—(laughter)—but were scarcely deserving of more than a passing allusion from a body like this Chamber. With these remarks he merely wished to say that he would vote against this second clause. The arguments brought for and against the second resolution, as well as the first, showed that his first remarks were correct, that great doubt existed with regard to the meaning of "diminished expenditure."

The CHAIRMAN then put the amendment and the second clause of the resolution to the vote, and the latter was carried by eight votes against five.

The CHAIRMAN—The third resolution is that the Chamber suggests the institution of an excise tax on tobacco, in addition to the import duty, or, if more practical, the establishment of a Government monopoly in the article.

Mr. KITTREDGE—The reading of the resolution does not make it clear, whether the Committee propose an excise tax on imported tobacco only or upon native tobacco as well.

The CHAIRMAN explained that the proposal of the Committee was to put an excise duty on native tobacco, and to increase the duty on imported tobacco, if necessary, to make it equal to the other.

Mr. KITTREDGE continued—Well, Mr. Chairman, with regard to imported tobacco the trade is already steadily decreasing; the value of imports has fallen from Rs. 10,11,000 five years ago to Rs. 7,80,000 last year, and I think it only requires a small addi-

tional tax to kill it altogether. With regard to native tobacco I think that no greater mistake could be made than to put an excise duty upon it, or to make it a Government monopoly. It is now a very rapidly growing trade; the exports alone have increased from Rs. 4,50,000 to Rs. 13,50,000 in five years; greater care has been taken in the selection of seed, more attention paid to the cultivation, and a great improvement made in curing and manufacturing it. I don't know any more promising feature in the Indian trade than tobacco, and I don't know anything which would check it more quickly than Government interference. What does excise duty and Government monopoly mean? It means the most oppressive espionage, it means the placing of the myrmidons of Government in every village and field in the tobacco-growing districts. It would be bad enough in any country, but more especially here, where Government must act through very low paid servants who use their petty power in acts of great extortion. In all the departments of trade where Government has interfered, it has been found necessary to bring in more and more oppressive Acts in order to attain its object. Any interference of Government leads to smuggling and fraud, which can only be stopped by oppression; this has been the case in the matter of salt: Government has within two years brought in an oppressive Salt Bill, which, in the opinion of many high authorities, will seriously injure the trade. Indeed, it is already driving salt from our territories into Goa and the Native States. But this Act was necessary, it was said, to protect Government. This is true also in the Cotton Frauds Department, which remains a dead letter, because it requires a very oppressive Act to make it effectual. Indeed, whenever Government becomes a trader or interferes in trade, it requires itself so much protection that it must institute oppression. I believe, Mr. Chairman, that no branch of trade promises better for India than its tobacco, but that nothing will kill that promise sooner than Government interference. But the proposition is much more objectionable when we consider the object for which it is proposed, viz., the relieving of cotton goods from a small import duty. To take such means for such an end meets with my strongest opposition, and I think that Government could not make a greater mistake than to act on the proposal in the resolution before us.

Mr. McHINCH said he quite sympathised with what Mr. Kittredge had said about the dangerous undertaking they would be recommending to Government in proposing to put an excise duty on tobacco. It only required a little experience in India to know the difficulties the cultivator would have to endure. There was one little point he would like to bring before the meeting. He fancied that opium would correspond pretty closely with such a tax on tobacco, and they would notice that in the budget estimate for 1873-74 the estimated return for opium was £7,500,000, and the cost of collection would take about £2,115,000, so an immense amount would have to be spent in collecting such a tax on tobacco. Now, tobacco was not a thing on which a very heavy tax could be put on account of the cost of growing it.

The CHAIRMAN stated that he had only to say in reply that he thought the difficulties of collecting such a tax had been greatly over-estimated. It had been collected already in several places, and if Government did not take it up, the Municipalities would. He (the Chairman) was not Chancellor of the Exchequer, and he was not attempting to go into figures, but he had calculated the tax on tobacco, and it would not be very oppressive. So he thought there was no great difficulty about that, and he thought that of all countries in the world this was the country where Government would have least difficulty in collecting such a tax, because Government itself owned most of the land. The Government, therefore, had a machinery for collecting the tax much better than any other country.

The Hon. Mr. BYTHELL said he quite agreed with the Chairman that the difficulties of collecting the tax had been over-rated, for, as he had stated, Municipalities were rapidly laying hold of this tax. The Goverment, he believed, would have very little difficulty in collecting a duty of this kind, and he did not think they would find that such great precautions were necessary as were required with the salt revenue. The difficulty with salt, as he understood it, was that all the salt pans were situated in low marshy country which during the monsoon was almost inaccessible to preventive officers, and during that time in consequence of the absence of these men a very great amount of smuggling was carried on, and very strong measures had to be taken to prevent it. But with regard to the collection on tobacco he did not see that there could be much difficulty in levying, as the Lahore Municipality had done, an excise duty amounting to so much per acre, if the Government of India thought this was the best way of collecting the tax. The Chairman had pointed out on the previous day how England's prosperity increased as soon as she adopted the principles of free trade in connection with foreign countries, and contented herself with putting a heavy tax on articles of internal consumption, articles of luxury, and he (Mr. Bythell) would be glad to see India follow the example. He thought they would see in a few years a very great extension in foreign trade if it were made free.

Mr. GUMPERT—Tobacco particularly recommends itself in this country for taxation, because it is consumed by such a large number of people.

The amendment was lost by ten votes against three. The original proposition was then put to the meeting and carried.

The CHAIRMAN—The fourth source from which we suggest the loss should be made good is as follows:—That all imposts on tobacco, as well as on spirits and liquors, including licences to sell, be taken out of the hands of municipal and local bodies and carried to the general revenues of the country.

Mr. KITTREDGE said—I must oppose this resolution also, Mr. Chairman. It means that to take away an inappreciable tax from the people of the country, a portion of the municipal revenues must be confiscated and heavy burdens be placed on the already

over-taxed Municipalities. A great deal has been said about town dues and transit dues, but that is not the question before us. We are not considering the question of relieving the inhabitants of the Municipalities of these duties, but whether they shall be handed over to Government in order to relieve Manchester goods of a trifling duty, and this when these Municipalities are often compelled by Government to spend large sums on sanitary and other improvements. In the case of the Bombay Municipality it would deprive it of a revenue of five lacs of rupees. Out of whom would this deficit be made up? Out of the Europeans? No; out of the native property-holders. I fear that we should not be so ready to vote this proposition if we did not feel that in any case we would be lightly taxed. It seeems to me that the members of this Chamber are willing to forget every interest but their own, and for the sake of this small duty on cotton goods they are willing, not only to crush the cotton manufacturing interests and to check the tobacco-growing interests, but also to over-tax the municipal bodies already havily burdened. I, therefore, oppose most strongly this proposition also.

The Hon. Mr. BYTHELL said he would support this resolution because he thought that the fiscal policy of the Government of India at the present time under which such large powers were given to local bodies was a very great mistake indeed. If the Government of India increased its taxation to any appreciable extent it was budgetted for, it was made public, and was discussed in Parliament. But when these unlimited powers of taxation were given to local Municipalities subject only to the control of the local Governments the amount was not publicly budgetted for, in many cases it was not made public, and it was never brought before Parliament. He thought it was a great calamity to the country that these local bodies should be allowed to levy transit duties and all kinds of taxation to an extent which, when the details were made public, would surprise every one. The Chairman had stated on the previous day that in some towns in Guzerat there was actually a transit duty levied on certain goods of four or five per cent. He would be glad to see the powers of these bodies limited, and a great part of the expenditure taken up by them taken as imperial expenditure. Unfortunately in Bombay at present, in consequence of the extravagant municipal *regime* prior to the last two years, there were very heavy duties, and when the proposals to levy these taxes were brought before the Corporation two years ago his colleague, Mr. Forbes, and he himself had voted for them because they were told that unless the Municipality levied them, it would be bankrupt. But if the Government of India would give the Municipality some financial relief by giving loans at low rates of interest or otherwise in lieu of the town duties, and would resume the liquor and tobacco duties for the imperial revenue, he thought it would be a very good thing indeed. The possession of these duties leads the Municipality to think that they have a perfect right to tax everything coming and going from Bombay. He thought if the Chamber were to take this matter up energetically, and show to what extent this local taxation had

gained ground, the Government of India would be very willing to make some arrangement under which Municipalities would be restrained from levying transit duties and such heavy taxes of all descriptions on trade.

The CHAIRMAN said that after what Mr. Bythell had stated there was very little left for him to say, but he only wished to remark that it was not transit duties alone which were objected to. He thought that all articles which had paid an imperial duty should be free through the rest of the country. He did not know, talking of the mofussil, whether he was quite in order in mentioning it here, but he must say that one thing had struck him as most remarkable, and this was that he had seen it plainly stated in a letter to this Chamber from a Government official up-country, that he had succeeded in stamping out the cultivation of a particular kind of cotton in a certain district. Now, if Bombay was to compete with other countries, they must have free trade in the cultivation of cotton, as well as in the spinning of it, and what they wanted was to grow a cheap cotton. The grower should be allowed to grow what cotton he found paid best. They ought to have free trade throughout.

The CHAIRMAN then put the amendment and the 4th clause of the resolution to the meeting, and the latter was carried.

The whole resolution as passed is as follows:—

II.—That the Chamber is aware that all these reductions can only be made subject to the needs of the public revenue, but would suggest that the loss be made good from the following sources:—

1. Increased economy in public expenditure.
2. Diminished expenditure for a time on Public Works.
3. The institution of an excise tax on Tobacco, in addition to the import duty,—or, if more practicable, the establishment of a Government monopoly in the article.
4. All imposts on Tobacco, as well as on Spirits and Liquors, including licences to sell, to be taken out of the hands of municipal and local bodies, and carried to the general revenues of the country.

Mr. KITTREDGE then said he begged to propose the resolution of which he had given notice, and he would be as brief as he could. The following was the resolution:—

That the Chamber recommends Government, in case the loss entailed on the public revenue by the abolition of export duties, amounting to about ten lacs of rupees, must be made good, the following as the means which will be least prejudicial to trade and the fairest to the general public:—

An import duty of 10 per cent. on precious stones and pearls.

That the import duty on silk goods be advanced from 5 to 7½ per cent.

That the import duty on iron be advanced from 1 to 2 per cent.

That an import duty of 2 per cent. be levied on machinery.

That an *ad valorem* duty be levied on wines.

He brought forward this resolution because he thought the Chamber of Commerce should be practical, and, as he had said in opposing the other resolutions, he did not think any one of them was practical or expedient. The first two were not practical, and the last two were not expedient.

Mr. GUMPERT said he did not think this was a matter which could be discussed in a few minutes, and therefore he suggested that the meeting should be adjourned.

Mr. KITTREDGE said he was quite willing that the meeting should be adjourned, but he felt great reluctance in asking the few members who did attend to attend again to vote down his propositions.

The Hon. Mr. BYTHELL said it appeared to him that the meeting could not vote for these resolutions of Mr. Kittredge's without stultifying itself. The second resolution which had been carried contained suggestions as to how the revenue should be made up, which were directly contrary to what Mr. Kittredge now proposed. If he had brought it forward as an amendment it might have been better. There were two or three things in it which he (Mr. Bythell) would rather have liked to have seen embodied in the other resolution.

Mr. GUMPERT again proposed an adjournment.

Mr. KITTREDGE said that if his resolution could not be passed without the Chamber stultifying itself, that could be decided at once, and they need not meet again the next day.

Mr. HALL said he did not think the Chamber could pass these resolutions after what they had already done. To bring forward articles like iron and so on would be to say that the last resolutions were not the best that could be made.

After some further discussion, Mr. Kittredge said he hoped somebody would move that the resolutions already passed prevented his bringing his resolution forward in order to get the opinion of the Chamber as he had no wish to force his resolutions on them. At the same time he must remind them that he gave notice of them twelve days ago, and he thought he should have a hearing.

The Hon. Mr. BYTHELL said he would be glad to move such a resolution, especially as Mr. Kittredge had asked that it should be done.

The proposition was seconded by Mr. Hall and carried.

The Hon. Mr. BYTHELL then proposed the following resolution:—"That the Chamber would especially urge upon the Government of India the desirability of abolishing immediately the

export duty on Indian-made goods and yarns, as the amount of revenue derived from the tax is small, and it is extremely important that nothing should be done to prevent India from finding markets for her manufactures in other countries." On looking over the administration returns he found that the whole revenue derived from the export of Bombay goods and yarns was about Rs. 1,21,000. This was an amount of revenue which could easily be made up. It was a great pity that India having cotton grown within her own shores should have anything done to prevent her competing with other countries which supplied the neighbouring countries which consumed coarse cotton goods and yarns. He believed those gentlemen who were so anxious to see the import duties abolished were also anxious to see the export duties abolished, and would support the resolution.

The Resolution was seconded by Mr. Mowat, and carried unanimously.

The meeting then separated.

RESOLUTIONS PASSED AT THE MEETING.

I.—That this Chamber would urge upon the Government of India the abolition of the following duties :—

1. The import duty on Cotton Goods and Yarns.
2. The import duties on Sugar and Dates—articles which are mainly imported into the Presidency of Bombay, and which really are necessaries of life with large portions of the population.
3. The import duty on all articles for which Bombay acts more as a depot than as a place of consumption,—the gain to Government being small, and the trouble both to them and the merchant, and the hinderance to trade, great.
4. The import duty on many small articles which give little return to the revenue.
5. The export duties on all articles except those on Rice, Indigo, and Lac; and these the Chamber urges upon the Government of India as the first duties demanding consideration.

II.—That the Chamber is aware that all these reductions can only be made subject to the needs of the public revenue, but would suggest that the loss be made good from the following sources :—

1. Increased economy in public expenditure.
2. Diminished expenditure for a time on Public Works.
3. The institution of an excise tax on Tobacco, in addition to the import duty,—or, if more practicable, the establishment of a Government monopoly in the article.

4. All imposts on Tobacco, as well as on Spirits and Liquors, including licences to sell, to be taken out of the hands of municipal and local bodies, and carried to the general revenues of the country.

III.—That the Chamber would especially urge upon the Government of India the desirability of abolishing immediately the export duty on Indian-made goods and yarns, as the amount of revenue derived from the tax is small, and it is extremely important that nothing should be done to prevent India from finding markets for her manufactures in other countries.

CHAMBER OF COMMERCE, BOMBAY, *29th January*, 1875.

To the SECRETARY of the TARIFF COMMITTEE, Calcutta.

SIR,—On receiving, through the Bombay Government, the Resolution No. 6703 of the Government of India, appointing a Committee to sit in Calcutta for the purpose of revising the Customs' Tariff Valuations, this Chamber appointed a Special Committee, composed not only of Members of the Chamber, but of a number of merchants outside the Chamber who were acquainted with the various branches of the trade of the Port, and some of whom were engaged in spinning and weaving in the Town of Bombay, to enquire into and report on the subject. After a good many meetings, and a great deal of discussion, the Special Committee arrived at the valuations of which I had the honour to forward to you, on the 19th instant, 10 printed lists, and these valuations have been unanimously confirmed by the Chamber in General Meeting assembled.

The Chamber have also considered the policy to be urged on your Committee on the general question of the revision of duties. They had hoped to have had the advantage of being represented, at the meetings of your Committee whilst these discussions were proceeding, by Mr. Watson, the Chairman of the Chamber; but as he is unable to leave Bombay, at this season of the year, for any lengthened period, I am directed to forward the Chamber's representation to you in order that it may receive full consideration by the Tariff Committee before their report is sent to the Government of India.

The Resolution of the Government of India No. 6703,

upon which the Tariff Committee are acting, after appointing the Committee to revise the Tariff valuations, runs thus :—

> The Government of India would further be glad to consider the opinion of the Committee as to the propriety of removing from the Tariff any articles the retention of which may be thought unimportant in the interest of the public revenue, and the removal of which from the list of dutiable articles would give freedom to trade, or any other cases in which from competition or otherwise the Committee may be of opinion that any of the existing export duties are seriously prejudicial to the trade in the articles subject to them.
>
> Representations have also been made to the Government of India as to the injurious effect of the duties levied on the import of cotton goods and twist manufactured in England. The Government of India would be glad to receive a report of the opinion of the Committee on this point after enquiry into the facts.
>
> In considering this question, the Committee will observe that the Government of India does not impose or maintain customs duties for the purpose of affording protection to any branch or class of industry, but for revenue purposes only.

After a careful consideration of all these questions, the Chamber passed the following Resolutions :—

> That this Chamber would urge upon the Government of India the abolition of the following duties :—
>
> 1. The import duty on Cotton Goods and Yarns.
> 2. The import duties on Sugar and Dates—articles which are mainly imported into the Presidency of Bombay, and which really are necessaries of life with large portions of the population.
> 3. The import duty on all articles for which Bombay acts more as a depot than as a place of consumption,—the gain to Government being small, and the trouble both to them and the merchant, and the hinderance to trade, great.
> 4. The import duty on many small articles which give little return to the revenue.
> 5. The export duties on all articles except those on Rice, Indigo, and Lac ; and these the Chamber urges upon the Government of India as the first duties demanding consideration.
> 6. The export duty especially on Indian-made goods and yarns, as the amount of revenue derived from the tax is small, and it is extremely important that nothing should be done to prevent India from finding markets for her manufactures in other countries.

These resolutions deal with the abolition of duties both

on imports and exports, and I have now the honour to submit the views of the Chamber thereon, taking, for convenience, each resolution in the order in which it appears, though, in relative importance, the question of export duties should precede all others.

The subject of the abolition of the import duty on cotton goods and yarns is not a new one. It was brought before the Secretary of State for India, who in his reply to the deputation from the Manchester Chamber of Commerce said— "There can be no question that in point of principle you "are in the right. The duty is not one which can be defend- "ed in theory, and I do not suppose that any English "Government would defend it in theory. The English Go- "vernment could not speak with two voices on this subject. "The principles of free trade have been accepted for a very "considerable time. England urged them at every Court, "and she could not willingly belie them in any dependency "under her control." The impolicy of continuing this duty was admitted without reserve, considerations of revenue alone preventing its immediate removal. The Government of India also concurs in this view, when it says, in the Resolution above referred to, "it does not impose or maintain "customs duties for the purpose of affording protection to "any branch or class of industry, but for revenue pur- "poses only." The whole question, then, so far as mercantile interests are concerned, is settled : the principle of the duty is condemned by the Secretary of State, and by the Government of India, and the duty is maintained for revenue purposes only. On this point the Secretary of State was very clear : he said that "if the "revenues of India were as elastic and grew as rapidly as "the revenues of England, this would be a duty whose term "of life would be very short indeed, and on that ground he "would be very sorry to believe that any vested interests "were springing up in India that based themselves on the "permanent continuance of this duty as a part of their "success."

This allusion applies with peculiar force to an industry which has sprung up in the midst of us, and whose apparent interests are antagonistic to the policy recommended. The Cotton Spinning and Weaving industry of this Presidency, which has been growing during the last 15 years, recently

received remarkable development. There are now in Bombay very nearly half a million spindles at work, and 100,000 more in the country districts, whilst another 100,000 are in course of erection and will very shortly be in working condition. It seems, therefore, to some that the interests of Bombay and Lancashire are antagonistic. The Chamber believe that this supposition is wholly erroneous, and that free and open competition with the English manufacturers would, as all experience has shown, be ultimately attended with the greatest possible benefit to the local mill-owners. The history of commerce and manufactures during the last 30 years abounds with illustrations of the fact that no trade can permanently flourish which is propped up by factitious means on an unsound and unhealthy basis, and which is not open to the invigorating influence of free competition. The same apprehensions of ruin, which now exist in some quarters with respect to the Bombay manufactures, were felt in England and in other countries, by the interests affected, when the abolition of protective duties was contemplated. But after those duties were abolished, it was found that instead of injury or decay, great improvements in the processes of manufactures, and extraordinary activity in the trade, resulted. The manufacturers soon discovered that it was infinitely more to their interest to trust to their skill and ingenuity, for the sale of their goods, than to fiscal regulations, and the exertions of Custom-house Officers; while the removal of the duties gave a great impulse to consumption. Now, the great success of the local Mills has been in spinning the lower and coarser kinds of yarns and cloth, and in some branches at least of this industry, owing to the cheapness of low Indian Cottons, they can, the Chamber believe, hold their own against English competition without any protection whatever. But, with the aid of the import duty, they have, as will be shown presently, practically succeeded in extinguishing the English trade in these descriptions of yarns and cloth, which can only result, as all monopolies do, in the consumers, the mass of the people, being deprived of the benefits of cheaper clothing which would flow from fair competition.

For these reasons, and on account of the admissions of the Secretary of State, and of the Government of India, the Chamber ask for the total and immediate repeal of this duty. But should this be deemed altogether impracticable on

account of the state of the revenue, the Chamber submit an alternative scheme, namely, to abolish the duty on the lower kinds of yarns and goods such as those at present made by the Indian Mills, and still leave it to be levied on the higher kinds, the manufacture of which has not been attempted here. The great recommendation of such a scheme is that it would call for little sacrifice of public revenue, and in the meantime at least, practically remove the protection which Indian Mills at present enjoy. If all yarns from 30s Mule downwards were struck out of the Tariff, the loss to the revenue would be very light. The average importation into Bombay, in 1858, of 30s Mule was about 965,000 lbs., while last year it amounted only to 137,000 lbs., and 20s Mule has more completely disappeared still. In the same way, if 20s Water and under were passed as free, the loss to the revenue would be inconsiderable. In 1859, the importation of 20s Water was nearly 1,443,000 lbs.: in 1873 it was only 78,000 lbs., and last year though there was an advance, caused doubtless by the attraction of exceptionally high prices, it was only to 337,000 lbs. With yarns, there would be little difficulty in carrying out this proposed scheme. No one would pack and ship 34s Mule or 24s Water as 30s or 20s, and sell them, as he must do, as 30s and 20s respectively, in order to escape the 3½ per cent. duty. It would not however be so easy to treat manufactured cloth in this way. T. Cloths, Domestics, and Longcloths are the articles from which the Chamber would recommend the duty to be taken. Domestics and Longcloths have almost entirely disappeared as imports into this Presidency. In 1858, the importation of T. Cloths was 9,14,000 pieces, last year it amounted to 5,88,000. If this scheme were adopted, there would, no doubt, be a very great temptation to pass off fine T. Cloths and Manufactures, which were as fine as shirtings, as low goods entitled to be admitted free: it would therefore be necessary to declare free only such goods as did not come up to a certain standard of value. The Chamber are of opinion that there would be no very great difficulty in admitting coarse goods free and in levying the duty upon fine ones, but the great objection to such a policy is that it would have the very bad effect of tempting the local Mills to make the finer goods, instead of the coarser ones, for which they are specially adapted.

The Chamber desire however to urge upon the Govern-

ment the adoption of this scheme as preferable to the protective system which now exists. It is contrary to the principles of the commercial system of England to foster and protect any particular trade or industry, or to legislate for the benefit of any interest, which would militate against the interests of the consumers. The truth, and the beneficent operation of those principles, which, by emancipating English commerce and manufactures from duties prohibitory or restrictive, raised them to a pitch of unexampled prosperity, conferring at the same time the fullest benefit on the consumers, were doubtless in view by the Government of India when it promulgated that it "does not impose or "maintain customs duties for the purpose of affording pro-"tection to any branch or class of industry." Now the effect of the import duty in this Presidency has been, that, after the Bombay mill-owners had driven out the Lancashire manufacturers in the competition for the supply of the coarser kinds of cloth and yarns, an extraordinary demand, about two years ago, arose throughout India for goods of this description, and the local mill-owners being in possession of what was virtually a monopoly were enabled to obtain enormous profits, whilst the consumers suffered from the high level at which prices were maintained, which would probably not have been the case had the trade been open to unfettered competition.

The cotton spinning and weaving industry of this Presidency has only in the last fifteen years assumed considerable proportions, and for a great part of this period, the exceptionally high prices of cotton and of cotton goods which ruled during the continuance of the American War, and for several years subsequently, when the supply of American cotton continued from various causes to be comparatively small, render the statistics of those years useless for purposes of comparison, and of showing the protective effect of the import duty on the English trade, whilst the capabilities of the local spinning and weaving Mills themselves were comparatively undeveloped. A comparison however of the imports of the low kinds of cloth and yarns, which compete with the productions of the local Mills, for the three years immediately preceding the American War, viz., 1858, 1859, and 1860, and of the average of those years, with the imports in the years when the cotton trade was gradually becoming more settled, viz.,

1868, 69, 70, 71, 72, 73, and 74, and with the average of the last three years, very clearly shows the protective effect of the import duty, as will be seen from the following statement :—

Years.	Cloth.			Yarns.		
	T. Cloths.	Long Cloths.	Domestics.	Mules above 20s and under 30s.	Mules 20s and under.	Water 20s and under.
	Pieces.	Pieces.	Pieces.	lbs.	lbs.	lbs.
1858	9,14,381	6,09,258	1,69,352	9,65,050	5,91,500	12,53,510
1859	9,10,481	3,04,705	1,79,409	9,25,085	4,45,640	14,43,205
1860	11,32,406	2,29,727	1,90,233	5,10,440	3,96,130	12,97,880
1868	10,23,335	1,13,348	1,19,980	4,12,245	80,510	5,07,480
1869	8,18,730	1,78,715	35,314	3,00,170	45,920	5,24,940
1870	10,80,743	94,746	46,792	3,42,115	96,990	8,57,480
1871	5,30,797	1,05,596	45,914	2,36,720	96,590	7,62,840
1872	5,27,831	83,229	9,639	4,58,270	15,060	1,98,315
1873	6,97,231	86,303	6,306	2,19,860	47,110	78,670
1874	5,88,872	1,48,376	10,950	1,37,190	27,350	3,37,390
Average per year. 1858, 1859, 1860 ...	9,85,756	3,81,230	1,79,664	8,00,191	4,77,756	13,31,531
Average per year. 1872, 1873, 1874 ...	6,04,645	1,05,969	8,965	2,71,773	29,840	2,04,792

Comparing, then, the average per year of 1858, 1859, and 1860, the three years immediately preceding the American War, with the average per year of the last three years, viz., 1872, 1873, and 1874, we find the following decrease in every description of cloth and yarns, viz. :—

T. Cloths	381,111	pieces.
Long Cloths	275,261	,,
Domestics	170,699	,,
Mule Twist above 20s and under 30s	528,418	lbs.
Mule Twist 20s and under	447,916	,,
Water Twist 20s and under	1,126,739	,,

Again, comparing the imports of last year, viz., 1874, with those of 1860, towards the close of which the American War broke out, and which was a year very unfavourable to importers, we find the following decrease in every description of cloth and yarns, viz. :—

T. Cloths	543,534	pieces.
Long Cloths	81,351	,,
Domestics	179,283	,,
Mule Twist above 20s and under 30s	373,250	lbs.
Mule Twist 20s and under	368,780	,,
Water Twist 20s and under	960,490	,,

It should be remembered that this absolute decrease has occurred, after a lapse of fourteen years of profound peace and security, in the cloth and yarns principally consumed by the poorer classes, whose condition it is well known has immensely improved from a variety of circumstances, and during which period railway communication throughout the country was yearly extending. In 1860, 836 miles of railway only were open in British India: in 1873, the number of miles of railway open had increased to 5,872. The progress of education, closer and more frequent contact with more advanced communities, and the wealth accumulated by the cotton cultivators throughout the Presidency during the American War and for several years subsequently, when the prices obtained showed enormous profits on the cost of production, combined to increase the demand for cloths and yarns of these descriptions to an extent far exceeding the demand which would have arisen at the ordinary rate of progress in ordinary years.

The Chamber apprehend that, under the circumstances, a very great increase indeed in the present imports of low cloths and yarns over the imports of the years immediately preceding the American War, would be necessary to show that the import duty has not been operating as a protective duty, unless experience proves, after the abolition of the import duty that local mills are able to compete successfully, on equal terms, with the English manufacturers. As it is, it may be fairly assumed, however, that the duty is maintained at the expense of the consumers, principally the poorer classes, against whom it tells in this instance with particular hardship in a prime necessary such as clothing, and that it is injurious to the thousands of village hand-loom weavers throughout the country, who are prevented from using the English yarns, which they might prefer, and are compelled to pay a higher price for what they do use, in consequence of its operation.

The Chamber will conclude their remarks upon this duty by adducing only one illustration, out of the many to be found in recent history, to demonstrate the folly of attempting to encourage manufactures by prohibiting or restricting importation, and they will take the English silk trade which is similar in many respects to that of cotton. In 1764, the fashion of the times running in favour of French silks, Parliament was induced to reduce the duties on raw and

thrown silk, and entirely to prohibit the importation of certain articles of manufactured silk goods From this period until 1824, we find little more than complaints, on the part of the manufacturers, of the illicit importation of foreign silks, of impotent efforts on the part of Parliament to exclude them, and of the general decay of the trade. The principal manufacturers, seeing, at last, the impolicy of the system by which the silk manufacture had been so long depressed, addressed a petition to the House of Commons in which they stated that "this important manufacture, though "recently considerably extended, is still depressed below its "natural level, by laws which prevent it from attaining that "degree of prosperity, which, under more favourable circum-"stances it would acquire." Mr. Huskisson, thereupon moved, on 8th March 1824, that the prohibition of foreign silks should cease on July 5th, 1826, and that they should then be admitted for importation on payment of a duty of 30 per cent. ad valorem. There was also, at the same time, a duty of 4s. per lb. on raw silk imported from Bengal and of 5s. 7½d. per lb. on that imported from other places: this duty on raw silk he proposed to reduce to 3d. per lb. On this occasion, Mr. Huskisson observed—"The monopoly "had produced, what monopoly was always sure to produce, "an indifference with regard to improvement. That useful "zeal which gives life to industry, which fosters ingenuity, "and which in manufactures occasions unceasing efforts to "produce the article in the most economical form, has been "comparatively extinguished. To the prohibitive system "it was to be ascribed, that in silk only, in the whole range "of manufactures, we were left behind our neighbours. We "have here a proof of that chilling and benumbing effect "which is sure to be produced when no genius is called into "action, and when we are rendered indifferent to exertion "by the indolent security derived from restrictive regula-"tions. I have not the slightest doubt that if the same sys-"tem had been continued with respect to the cotton manu-"facture, it would have been at this moment as subordinate in "amount to the woollen as it is junior in its introduction to this "country." His proposals were agreed to, and their effect was that the silk manufacture down to 1852 made more rapid progress, after the abolition of the prohibitive system in 1826, than it had done during the preceding century. During 1821, 1822, and 1823, when the restrictive system

was in its vigour, the imports of all sorts of raw and thrown silk amounted at an average to 2,399,000 lbs. a year. In 1845, the import duty on foreign silks was further reduced, by Sir Robert Peel, from 30 to 15 per cent. ad valorem, and the duty on raw and thrown silk was, at the same time, abolished. But despite the sinister predictions indulged in with respect to the ruin of the manufacture, the imports of all kinds of raw and thrown silk amounted, at an average of 1850, 1851, and 1852, to above 7,000,000 lbs. a year. In 1860, the duties on foreign silks of every kind were abolished by Mr. Gladstone, and it is a remarkable fact that in 1861, 1862, and 1863—the three years subsequent to the abolition of the duties—the imports of all kinds of raw and thrown silk rose to the enormous average of 12,865,846 lbs. a year. The great increase which, with the change of system, took place in the exports of manufactured silks from the United Kingdom is equally striking: in 1823, the value of the exports was £351,000; in 1852, it amounted to £1,551,000; in 1862, to £2,361,000; and in 1872 to £4,084,000. Down to the year 1826, the silk trade in England was kept for a century in an artificial and languishing state, from the futile attempts to bolster it up: since the reduction and abolition of the duties and restrictions, against which there were on every occasion the usual outcry and prediction of the ruin of the manufacture, the trade has become one of the most flourishing in the country. The Chamber consider that the history of the silk trade in England gives a fair illustration of the evils inherent in a protective system, and of the vigour and elasticity which a trade may acquire when, unaided by any artificial means, the manufacturer relies on his own skill and exertions, and not upon the protection of legislative restrictions on foreign competition. It is moreover peculiarly applicable to the protective system of this Presidency, for the silk-weavers in England had more reason to fear the competition of the French manufacturers, than the Bombay mill-owners have to fear that of Lancashire. The Chamber would therefore urge upon your Committee that the import duty on cotton goods and yarns should be totally repealed, but if that, from revenue considerations, is at present impracticable, that it should be taken off the lower kinds of yarn and cloth now made by the Indian Mills.

The next resolution proposes the abolition of the import

duties on Sugar and Dates—articles which are mainly imported into the Presidency of Bombay, and which really are necessaries of life with large portions of the population. The gross amount of import duty collected on sugar and sugar-candy at all the Ports of British India, in the year ending 31st March 1874, was Rs. 4,14,751, of which no less than Rs. 3,91,165 was collected at Bombay. The total value of sugar and sugar-candy imported from Foreign Countries into British India in the same year was Rs. 55,55,169, of which no less than Rs. 52,12,211 was imported into Bombay, and, in addition to this import from Foreign Countries into Bombay, Rs. 20,36,242 was imported from Bengal and Madras, Rs. 20,32,310 having come from Bengal alone. Nearly the whole of this import duty, then, is raised in Bombay, the amount raised in Calcutta and Madras being next to nothing. Neither sugar nor dates are grown in this Presidency, and, although we are nominally in the same country as Bengal, yet we could obtain the former commodity cheaper from other countries. We have therefore actually to pay a high protective duty to the Bengal Presidency, the effect of which is not only to force the ryot into cultivating his land with things other than those for which it is especially fitted, but to diminish the production of the country in order that the Government may derive a revenue from these sources. Our importation of Foreign sugar amounts to Rs. 55,55,169, and of sugar from the Bengal Presidency to Rs. 20,32,310, even although the Foreign sugar pays an import duty of 7½ per cent., which clearly shows that if this duty were taken off, we could supply ourselves from other countries much more cheaply than from Bengal. With regard to dates, the Chamber believe that these are imported very much for the same purposes as sugar, and they are imported in large quantities. The total value of Fruits and Vegetables (excluding cocoanuts), imported from Foreign Countries into British India in the year ending 31st March 1874, was Rs. 23,87,404. Now, of this importation, Rs. 18,59,946 came to Bombay, and no less than Rs. 15,25,701 consisted of dates. The gross amount of duty collected in Bombay on Fruits and Vegetables in the same year was Rs. 1,66,342, and the total drawback paid was only Rs. 17,246. Nearly all the dates imported into Bombay are consumed in the Presidency. They are used as food by many of the poorer classes, but are nevertheless

subjected to the payment of a duty of 7½ per cent. The Chamber consider that the unfair incidence, upon this Presidency, of the import duty on foreign sugar, which operates as a protective duty in favour of the planters in Bengal, and most injuriously and unjustly on the consumers in this Presidency, and that the heavy import duty of 7½ per cent. upon dates, which is an important article in the food of many of the poorer classes of this Presidency, are fair cases for representation to the Government.

The next resolution proposes the abolition of the import duty on all articles for which Bombay acts more as a depôt than as a place of consumption. The main articles which the Chamber had in view in framing that resolution were Coffee and Ivory. Coffee is chiefly an article of home production, not of import. The duty collected in Bombay in the year ending 31st March 1873 was Rs. 11,657, but the drawback amounted to Rs. 12,261, so that there was less than nothing left to the Government. In the year ending 31st March 1874, the duty collected was Rs. 7,630, the drawback Rs. 4,499, so that only Rs. 3,131 remained to the Custom House. In Calcutta, the duty collected was altogether insignificant, amounting, in 1872, to Rs. 228, and in 1873 to Rs. 252 only, and in Madras it was also very small. With regard to ivory, and ivory-ware, the duty collected in Bombay in the year ending 31st March 1873 was Rs. 1,05,707; and in the year ending 31st March 1874, Rs. 1,39,325, from which, however, should be deducted for drawback paid, Rs. 71,326 for 1873, and Rs. 62,079 for 1874. In Calcutta and Madras, the duty collected on ivory and ivory-ware is insignificant The gain to the Government is small, and the trouble to it and the merchant, and the hinderance to trade, great. The Chamber urge this important consideration that with the great development of steamer traffic, consequent upon the opening of the Suez Canal, the depôt trade of this port must naturally be on the decline, and that the Government is bound to give every facility and encouragement to its continuance.

The next resolution proposes the abolition of the import duty on many small articles which give little return to the revenue. The abolition of such duties was a principle recognised in the last revision of the Tariff. The Chamber regret that they are unable to select and name particular

articles, owing to the frequent use in the Tariff of general terms, the effect of which is that if an article does not come within one term it is made to come within another. They submit that such general terms as "Oilman's stores," &c., ought as much as possible to be abolished; that every separate article ought to come under its particular name, and that those articles which are not so given ought not to be taxed. In considering this resolution, the Chamber would recall to the memory of the Committee the action of the English Government, on the 14th February 1845, when the total Revenue of Great Britain, aided by the £5,200,000, of income-tax, amounted only to £53,100,000,—a sum exceeding by only £2,879,640, the present revenues of India,—and when it dared to continue that obnoxious tax to enable the Government "to make such arrangements with respect to "general taxaion as should be the foundation of great "commercial prosperity, and should materially add to the "comforts even of those who were called on to contribute "that tax." From the measures brought forward on that occasion, which, with those brought forward on 11th March 1842, form the groundwork of the commercial greatness and prosperity of England, the Chamber submit the following extract:—"It may probably have been observed that there "are no less than 813 articles included in the Import Tariff, "430 of which produce a very small amount of revenue "indeed. We propose to include in our financial arrange-"ments, the abolition of the duties which are now levied on "those 430 articles. By abolishing the duties altogether, "we get rid of a great number of troublesome accounts "which must be kept if any duties whatever (even nominal "duties for the sake only of obtaining accurate statistical "information) are to be levied. The articles on which we "propose to abolish the duties will be those generally which "are the raw materials of our manufactures. The total "number that will be absolutely swept away from the Tariff "will be no less than 430. These will include those fibrous "materials, such as silk, hemp and flax, which now pay a "nominal duty; yarns of different kinds. We also propose "to abolish the duty on furniture woods. There is a great "trade growing up in this country, which it is very desirable "to promote; and for that purpose we propose abolishing "the duty on all Cabinet-making materials. The amount "of duty, at present levied on Cabinet woods is very low,

"and we think that the same principle which has been "applied to sheep's wool ought to be applied to those "materials. We propose also to abolish the duties on "animal and vegetable oils. We propose likewise to remove "the duty upon ores and minerals. The duties on iron and "zinc, in the first stages of manufacture, will also be abolish-"ed; and we intend to remove the duties on all dye-stuffs, "and on drugs universally, with the exception of some that "are very noxious and are liable to be used as adulterations," &c. The Chamber trust that the Tariff Committee will deal with the question of the removal of the import duty on many small articles which give little return to the revenue, as its great importance demands, and that they will recommend that every separate article should come under its proper name, and that those articles which are not so named should be removed from the dutiable list.

The Chamber have next to urge upon the Committee the abolition of the export duties on all articles except those on Rice, Indigo, and Lac. Rice is included in the Tariff in the general term "Grain and Pulse," the duty upon which is Rs 54,34,376, and is, it is assumed, almost, if not entirely, made up from the duty on rice. Deducting, then, this sum, and the duty collected from Indigo and Lac, the total loss to the revenue by the abolition of all export duties, except these three articles, would, on the basis of the collections at all the Ports in British India, in the year ending 31st March 1874, amount to Rs. 12,45,803. The Chamber believe that there can only be one opinion as to the great advantages that would accrue to this country from the abolition of these export duties, and they particularly request that the Committee will urge upon the Government of India that these duties demand consideration before all others, and whether any part of the Chamber's recommendation with respect to import duties is attended to or not. H. M. Government, in 1845, imposed most unpopular taxes, producing great discontent, to enable it to carry out great measures of commercial improvement, and, among other reforms, it adopted as a general rule the abolition of export duties on all articles. It applied a general principle to exports of every kind, not even reserving coal as an exception. Now, there could have been no more legitimate object of taxation than coal exported from England to Foreign countries, for it was an article produced in England,

a necessary element of manufactures, and contributing by its export to increase the competition with her industries. But Her Majesty's Government,—which was led by a great and far-sighted statesman, whose services to his country will ever be remembered with gratitude,—would make no exception to the principle that with respect to exports no duty should thenceforth survive. Now, if the wisdom of that measure has been universally accepted with respect to England, whose produce and manufactures have for many years, enjoyed nearly a monopoly of the supply of almost every known market in the world, how much more necessary is it that the same principle should, as far as practicable, be adopted in India, a poor, agricultural, country, whose industries are yet in their infancy, and whose produce, for the most part, comes from remote and uncleared districts, and is forwarded to places for export under circumstances of great difficulty and expense. Export duties inevitably fall on the producers, and their natural effect is to check production, and as a consequence to diminish the revenue derived by the Government as the owners of the soil.

But the Chamber would especially urge upon the Committee to recommend to the Government of India the desirability of abolishing immediately the export duty on Indian-made goods and yarns, as the amount of revenue derived from the tax is small (altogether, at all the Ports of British India, only Rs. 1,57,970), and it is extremely important that nothing should be done to prevent India from finding markets for her manufactures in other countries. There are in Bombay, as has been already observed, very nearly half a million spindles at work, and 100,000 more in the districts, giving employment to upwards of 16,000 hands, and 100,000 more spindles will shortly be in working condition. This Chamber earnestly hope that the Government of India will remove every impediment to the progress of this industry, and allow its products unrestricted access to foreign markets, for there is great danger that the large profits which it has been making will disappear, not from English competition, but from the competition of the local mill-owners among themselves. In the last 3 months, there has been a decline in the price of 20s yarn of 12 to 15 per cent., owing to a glut in the market, and the market is still very depressed. China, the Persian Gulf, Arabia, the Eastern Coast of Africa, and the Red Sea, offer numerous and ready markets for the coarser

goods for which the Mills of this Presidency are well adapted, and in the making of which they were recently so successful. But in all those countries, the manufactures of this Presidency are hardly yet known, and are likely to continue unknown, so long as their exportation, and the desire to introduce them into other countries, are stifled by an impolitic and inequitable duty of 3 per cent., which has not even the excuse that the revenue derived from it is considerable, and which cannot be defended on any principle whatever. Its effect on the trade is to exclude the Indian Manufacturers from competing with those of Lancashire for the supply of foreign markets. The Chamber believe that the Government of India can have no inclination to continue a duty, which, whilst it brings no appreciable amount to the revenue, is unjustly restricting the development of a rising industry, and that the operation of the duty has only to be brought to the notice of the Government of India to ensure its immediate total repeal.

These are the views of this Chamber on the policy which should be urged on the Government of India on the general question of the revision of duties; and the Chamber trust that their views will receive the careful consideration, and meet with the approval, of the Tariff Commitee.—I have, &c.,

DAVID WATSON, Chairman,
J. GORDON, Secretary,

The following letter was received after the Chamber's representation of the 29th January had been despatched, and was forwarded by the Committee of the Chamber to the Tariff Committee, in Calcutta, for their consideration :—

BOMBAY, 24*th February* 1875.

To the SECRETARY of the CHAMBER of COMMERCE, Bombay.

DEAR SIR,—As I was not in Bombay during the late discussions in the Chamber of Commerce regarding the Customs Tariff, and as I am anxious to give such slight assistance as I am able to those who are carrying on the movement in favour of "free trade" in India, of which I had the good fortune to be one of the earlier advocates here, I venture to trouble your Committee with a few remarks on the subject.

Want of time during my limited stay here prevents my working out all the details I should wish, but as I believe a purely free trade tariff *can* be constructed without in any degree curtailing, but rather augmenting, the revenue, I am desirous of indicating the basis on which, as I think, such a tariff *should* be constructed.

"Free trade" as I understand the word represents a system

which considers the interests of the *consumers* (*i.e.*, the mass) as, in all cases, of greater importance than those of *producers*, as opposed to "protection" which considers the encouragement of certain industries as of such importance as to demand that the interests of *producers* should in such cases be preferred to those of *consumers*.

I am not desirous of arguing the question between the two systems, as I take it for granted that all Englishmen have made up their minds, from experience, that "free trade" is the right system on which to base our Indian as well as our European finance, and my object is therefore to sketch a system of customs duties which shall be "free trade" in character, while at the same time efficient for revenue purposes; I must premise that the mass and the State are the same, and that "free trade" in no way forbids taxation so long as the result of that taxation is to bring money to the State and to the State only, although of course free traders like all other men would like to be subject to as little taxation as possible. Considering a tariff then from this point of view it is clear as regards *imports*, that those articles only should be subjected to duty which are not subjected to competition by local producers of the same or similar articles, as otherwise the consumers are actually paying taxes not to the State but to the local producers (at least in part) unless indeed a corresponding tax can be collected from such local producers.

With regard to the imports into India, the following articles will at once occur to every one as, with many others, in this category.

Cotton Cloth, or at least the lower makes, say all those now admitted at or under 9 as. per lb. value.

Cotton Yarn, or at least the lower counts, say all those now admitted at or under 10 as. per lb. value.

Certain Silk Manufactures,
Certain Manufactures of Pottery,
Tobacco,
Beer, and
Spirit.

On the last three items of local manufacture, an excise duty could easily be (or already is) levied, which should be made as nearly as possible to correspond with the import duty. On tobacco an excise could be easily levied, except in Bengal, by the simple means of raising proportionately the assessment, or land tax, on all land used for tobacco cultivation and in Bengal by a special tax. On the first four items, however, an excise would be difficult of collection, and it would probably be better to forego the duty altogether, and this would be the less objectionable, as it seems that in a very few years there will be no imports, at least of low cotton cloth or yarn, to tax, if the tariff remains as at present.

As regards *exports* those articles only should be subjected to duty which are not subjected to competition from other places, and again having regard to the general interest of mankind, rough materials of which India may have the monopoly should not be subjected to export duty unless a corresponding duty be imposed on Indian manufactures of these materials based on the quantity of rough material in such manufactures, and, moreover,

care must be taken that no duties are so heavy as to tempt consuming foreigners to discover new producing contries or substitutes for the productions (as occurred in the well known case of Saltpetre).

Acting on these principles, the following articles, it will readily be seen, should be excepted from export duty :—

Coffee,
Tea,
Oilseeds,
Cotton,
Cotton Manufactures,
Silk,
Silk Manufactures,
Tobacco, and many others.

While on the other hand, subject only to a corresponding export duty on the manufactured article there seems no reason why such articles as—

Cargo Rice provided exports of White Rice are taxed proportionately higher.

Jute provided exports of manufactured Jute are taxed proportionately higher.

Stick Lac provided exports of shell lac and lac dye are taxed proportionately higher.

Cutch and many others should not pay a moderate export duty.

There can, I believe, be no doubt that if the tariff were reconstructed on the above *system*, the revenue would be much augmented while the reproach of protection would be removed from Indian finance.

Trusting that the omission of proofs of some of my statements will be excused as due to my belief of their being already generally accepted and to my desire to put my views into a small compass.—I remain, &c.,

H. E. BRIGHT.

N.B.—You are at liberty to make any use your Committee sees fit of this letter, and I myself propose to send a copy of it to the local press. H. E. B.

The following letter was sent to Mr. T. C. Hope, the Member of the Tariff Committee appointed by the Bombay Government, in reply to his enquiries :—

No. 107 of 1875.

Bombay, *26th May*, 1875.

My Dear Mr. Hope,—I have the pleasure to acknowledge the receipt of your letter of the 16th instant.

The authorities in England whom Mr. Watson referred to in his tariff speech as having pronounced unworkable the scheme of exempting from duty the coarser cloths and yarns

which Bombay also produces, while retaining the duty on the finer, were, it was understood, some of the members of the Committee of the Manchester Chamber; but, as Mr. Watson is not in India, I am unable to inform you on what occasion that opinion was given.

The difficulties in fixing upon a line of destinction between the coarser and the finer makes of cloth are, in the opinion of this Chamber, not insurmountable, and are such as rather affect the future than the present. It would be easy to draw a line which would for the present meet all the arguments that have been brought against the dutics on protective grounds, and such a clause as the following in the new tariff would sufficiently meet the case:—

> "Longcloths, Domestics, T. Cloths, and all other
> "descriptions of coarse Grey Cloths under 18 by
> "18, and, in the case of yarns, 30s Mule and
> "20s Water, and under, are exempt from duty."

It would not be advisable to base the line of distinction on value, although the Chamber in its letter to the Tariff Committee, dated 29th January last, expressed itself to the effect that the exemption should be on that basis. Members of great experience in the import trade, on reconsideration, think that as value is more or less a matter of opinion, the questions and disputes that would arise, with it as a basis, would be endless.

In the practical working of this plan, many questions would no doubt arise between the Customs officers and importers, but with an experienced and honest appraiser in the Custom House, the finer goods could not be passed off for the coarser ones, and the plan ought to be carried out successfully. No doubt a class of goods would spring up of such a character as *just* to escape the duty line—as, for instance, T. Cloths counting 18 by 17, and Longcloths made of yarn approaching shirting quality,—but this would be done openly, and, though the Customs officers would treat it at first with suspicion, it would soon take a recognised place.

As I have already said, the Chamber looks upon the difficulties as more affecting the future than the present, for once the principle is admitted that imported goods which have to compete against local manufactures are to be exempt from duty, the door is opened for fresh claims as

each new article of import is taken up and adopted by the local mills. For instance, one mill is trying to bring out shirtings, and, I am told, with some success, and again several of the mills are producing Dhooties which have hitherto been an article largely imported. It can hardly be doubted that sooner or later exemption from duty would be claimed for these goods, and the former of them, shirtings, are the chief article now contributing to the import duty revenue. I do not say that this is an objection, but it points to the fact that no line of demarcation, however carefully drawn, can be regarded as permanent. It is generally supposed that the adoption of the alternative scheme of exempting from duty only the coarser cloths and yarns which compete with the local manufactures, will be but the prelude to the adaptation of the machinery of the existing mills for the manufacture of finer yarns and cloths.

So far as I have been able to ascertain no Bombay mills as yet manufactured plain cloths from imported yarns, but they do use them to a small extent in making Dhooties. A lower duty on the higher counts, however, would, doubtless, favour their attempting the finer cloths from imported yarns.—Yours faithfully,

J. GORDON, Secretary.

No. 19 *T*, *dated 4th January*, 1875.

From J. D. MACLEAN, Esq., Secretary to the Tariff Committee, to the SECRETARY to the GOVERNMENT of INDIA, Financial Department.

I am directed by the President of the Committeee appointed for the revision of the tariff valuations to point out that in Resolution No. 6703, dated 25th November 1874, the Committee thereby appointed have three duties assigned to them:—

1—Revision of tariff valuations;

2—Removal from the dutiable to the free lists, any articles;

3—Effect of import duties on cotton goods and twist;

and to represent that questions will naturally force themselves upon the Committee connected with the levy of duties on many

articles besides cotton goods and twist, and to ask whether the Committee are to consider it a part of their duty to recommend the reduction of duty, the increase of duty, and the removal from the free to the dutiable list of other articles, in cases where such a course may appear expedient.

No 98, *dated 6th January*, 1875.

From R. B. CHAPMAN, Esq., Secretary to the Government of India, to the SECRETARY to the TARIFF COMMITTEE.

In reply to your letter No. 19 T, dated 4th January 1875, I am directed to say that the Governmen of India will be glad to receive suggestions from the Committee upon any matters in which they may consider that the customs tariff requires amendment.

REPORT OF THE COMMITTEE APPOINTED TO REVISE THE TARIFF VALUATIONS.

Dated the 27th February, 1875.

From the SECRETARY to the COMMITTEE appointed to revise the Tariff Valuations to the SECRETARY to the GOVERNMENT of INDIA, Financial Department.

I am directed by the Committee appointed to revise the Tariff under Financial Resolution, dated the 25th November 1874, to submit the following report and recommendations as the result of the Committee's labour.

The Committee, consisting of the gentlemen whose names are noted in the margin, met on the 5th of January, and completed their inquiry by the 27th of February.

A. Money, Esq., C.B. *President.*	Hon'ble J. R. Bullen Smith.
Hon'ble R. A. Dalyell, C.S.	J. C. Murray, Esq.
T. B. Lane, Esq., C.S.	T. C. Hope, Esq., C.S.

In accordance with the instructions in your letter dated 25th November 1874, they proceeded—

1st.—To revise the tariff valuations.

2nd.—To give their opinion as to the propriety of removing from the Import Tariff any articles now in it the retention of which may be thought unimportant.

3rd.—To consider on the import and export sides any duties which may appear prejudicial to the trade in articles subject to them.

4th.—To enquire into the effect of import duties on cotton goods and twist.

5th.—To consider generally the expediency of subjecting any fresh articles to duty and of raising existing duties.

Appendix A shows not only the changes in valuations recom-

mended by the Committee, but also the new headings introduced, classes of goods it is proposed to tranfer from the free to the duty list, together with their valuations, and any changes recommended in duties. This statement places the old and the new tariff in juxtaposition, and shows at a glance every change proposed.

Appendix B shows the financial result of the new valuations on the old and also on the new rate of duty, both on the import and export side.

Appendix C shows the financial result of the proposed duties on present valuations, and of the duties on new articles brought into the tariff, as also the proposed remissions of duty, both on the import and export side.

Appendix D gives the complete result of all changes recommended both on the import and export side.

REMARKS ON NEW VALUATIONS AND ON NEW ENTRIES IN THE TARIFF.

II. All the recommendations made in tariff valuations are made with the general approval of the Committee, with the exception of the valuations of two classes of goods, in Schedule A, heading No. 12, "Cotton," in the present tariff: these will be noticed in the proper place. In fixing valuations the Committee have been influenced, partly by the averages of the last three or four years, and partly by the present prices, combined with the fact of a rising or falling market.

III. The important changes, either as regards their bearing on customs revenues, or the great difference between the past and present valuations which the Committee have proposed, are in the articles falling under the following headings:—

Import—
Cotton.
Drugs and Medicines—Camphor, China. Arsenic and Salep.
Ivory.
Metals.
Naval Stores—Pitch and Tar.
Paints—Vermilion.
Shells—Mother-o'-pearl.
Spices—Cloves and Pepper.

Export—
Hides and Skins generally.
Lac.
Oils.
Spices.

IV. 1.—*Arms and Ammunition—Gunpowder.* The expediency of altering the values fixed for this article was considered in connection with the greatly differing values of various sorts of gunpowder, but the risk arising from handling so dangerous an article was held to be an insuperable obstacle to any but a very general classification as at present.

2. *Beads and False Pearls.*—After taking evidence on the subject of this heading, the Committee decided to leave China beads as they

are, and to remove the remainder to the *ad valorem* list, in view of the practical difficulty which has been found to exist in distinguishing between the different classes.

3. *Cabinet-ware.*—It was decided to omit this heading, as it would more appropriately fall under the new heading of "Furniture."

4. *Carriages.*—It has been thought advisable to add the words "and component parts thereof" to meet a practice of importing portions of carriages as manufactures of wood, which are free.

5. *Cork.*—This has been divided into two heads in order to relieve the vial corks, for which the valuation is too high.

6. *Cotton.*—The Committee enquired most carefully and at length into this, the most important item of the tariff, with the result shown in the statement. Under this heading all the valuations have been decreased, with the exception of that of thread, which has been increased. *Thread.*—It was also decided with regard to thread in reels that the duty might be taken either on the quantity as by the mark or by the actual length. The necessity for this arises from the practice of importing reels marked in excess of the length of thread they contain. The importers declare the real quantity only, and consequently pay duty on a smaller quantity than they sell the reel to represent. It is not a fraud *quoad* the customs, but the public are the losers, and it is necessary to check the practice. *Twist.*—The decrease in twist generally has varied from one anna to two annas per pound: the present designation would not include No. 15, and should therefore be altered to "Mule No. 15 and lower Nos." *Piece Goods.*—No variation has been made in mulls: the decreases in jacconets have been one anna, and six pie, per pound respectively.

As regards shirtings, madapollams, printers, long cloths, jeans, domestics, drills and T. cloths, the Committee were agreed on the following points:—

(*a.*) That the classification was bad.

(*b.*) That the two classes would be more appropriately divided into four, viz.:—

1st.—Printers.
2nd.—T. cloths, 18 reed and upwards, and madapollams.
3rd.—Shirtings and long cloths.
4th.—T. cloths under 18 reed, jeans, domestics, sheetings and drills.

(*c.*) That the proposed valuation on printers should be 10 annas 6 pie per lb.

(*d.*) That, with reference to the other three classes, the valuation on shirtings should regulate the remaining two valuations, on the principle that the valuation on the goods in the class above shirtings should stand at 6 pie above the valuation on shirtings, and the valuation on the goods in the lower class should stand at one anna below.

The Committee also agreed that the 8¼lb. shirtings should be taken as the representative standard of that class of goods. But

there was a difference of opinion in regard to the valuation to be fixed upon that class of shirtings. The valuation shown in the statement is that which commends itself to the judgment of three members, and which the casting vote of the President has made the valuation of the majority.

This valuation is based on the averages of the last thirteen months, from January 1874 to January 1875. It was thought that, in regard to an article in which the market has been for a long time a falling one, the averages taken should not extend over any lengthened period of time. The three members who recommend a valuation of 9 annas 6 pie per lb. considered that twelve or thirteen months' average was a fair medium for calculation between the usual plan of taking the average of three or four years, and the exceptional mode of looking only at the present prices. They believe that the present rate of prices is due mainly to the existence of a large crop of cotton in America in the current year, and that adulteration of the bulk of piece goods during the last two or three years, but especially during the last year (a fact which was proved by evidence given before the Committee), has unduly depressed the Prices. They are inclined to think that this evil will probably correct itself, and that prices will rise when the public shall insist on a more genuine article. They observe that in September 1874 (only five months ago) the Chamber of Commerce, Calcutta (letter dated 23rd September 1874), apparently considered an average of twelve months a fair basis for determining the tariff value, and 9 annas 6 pie per lb. a fair rate for the new valuation of shirtings.

On the other hand, the three members (Messrs. Bullen Smith, Murray, and Hope), whom the casting vote of the President placed in the minority, consider that this is an instance in which it is necessary to look forward as well as backward, as the Committee have unanimously done in several minor cases, and that present prices are the very highest safe basis for a tariff value. After making such allowance as may be necessary for improvement in price arising from the check on adulteration which ill repute, acquired by the excessively adulterated importations of the past two years, is likely to afford, they do not see that there exists good reason to expect recovery to the average of the last thirteen months. Indeed, looking to the late course of prices, to the apparently normal condition of over-supply which exists in Bombay and Calcutta (the two largest markets of India), and especially to what they consider a permanently increased supply and probable lower selling value of the raw material, they hold that maintenance of current prices is the most that can be looked for, and that any material change is likely to be in a downward direction. They would add that the valuation of 9 annas which they advocate is the one suggested by the Chambers of Madras and Bombay and by the Collector of Customs, Madras; and that both the Calcutta gentlemen who gave evidence before the Committee considered that present prices should not be exceeded. The letter of the Bengal Chamber of Commerce cannot be taken as against this argument: for, in the first place, it was only a general exposition of the case for a revision

of the tariff, and not a close fixing of values; and in the second, the position and prospects of the trade have materially altered for the worse since September last. Moreover, even a nine-anna valuation allows no margin for a fall, as has been customary in former tariffs (*vide* Sir C. Trevelyan's financial statement for 1864 65, page 21). A difference of six pie may appear trifling, but in this case it involves about Rs. 1,60,000, and there seems every reason to apprehend that the adoption of the higher figure will only produce dissatisfaction, and a reduction of rate at no distant period.

7. *Drugs, Medicines and Chemicals.*—The heading of chemicals was removed from the tariff by the letter, Government of India, Financial Department, No. 2498, dated 7th April 1870, under the belief, as the Committee understand, that all chemicals would practically fall under the head of "Drugs and Medicines." But this result did not follow, and doubts and disputes frequently occur; so the re-insertion of the heading is recommended.

8. In *Fruits, &c.*, after the words Buzarbutto nuts it is proposed to introduce the words "and fresh fruit and vegetables not specially assessed," with the object of removing doubts which existed at Bombay with regard to the import of these articles from Goa, Jinjeera, and Italy.

9. A new heading is recommended—"Furniture, including Cabinet ware, Lacquered-ware and wall paper" Most of these were formerly assessed under the heading of "Cabinet-ware," and the vagueness of the definition led to frequent disputes.

10. *Glass.*—The Committee would introduce after the word bottles the words "used to bottle beer, wine, spirits or aërated waters," to prevent the importation free of cut glass and other ornamental bottles.

11. *Hides and Skins.*—The words "other than raw or salted which are free" have been added with the object of removing doubts, which appeared to exist in some of the custom houses in India, as to the kind of hides and skins which are dutiable. The addition removes the necessity for the words "Prepared" after border hides, and "tanned," after the words "buffalo and cow hides, country."

It is proposed to introduce a new class of "skins," viz.:—

Roan skins, valued at Rs. 30 the dozen, and also—

Goat
Sheep
Lamb
} as in the export.

12. *Jewellery, &c.*—It is proposed to add "other than European" opposite to the words "silver-ware, plain, embossed, or chased." The valuations really refer to silver-ware from China, and European plate is taxed under "Jewellery and plate of all kinds," so it is desirable to make the designation correspond to the practice.

13. *Mats.*—It is recommended to introduce the word "Singapore" after the word "China," as a good deal of matting comes from there. It is also proposed to introduce a new heading—"Other sorts *ad valorem*," to provide for mats coming from elsewhere than China and Singapore.

14. *Metals.*—The excision of the words "China and Europe" will bring all foil and daukpana under one valuation. The fact is that so little comes from Europe as to render a separate classification unnecessary.

It is proposed after the word "bridge work" to add the words "and other descriptions imported exclusively for building purposes." Hitherto this last class of goods has been taxed under head of "Other sorts," but now it is inserted separately on the authority of the letter, the Government of India, Financial Department, No. 381, dated 30th December 1868. The sub-heading "Nails, rivets, and washers" has been divided into two—

Nails... { "Rose, clasp, and flat-headed, rivets and washers;" / "Other sorts, including galvanized."

the former being left with a tariff valuation, and the latter, which are more valuable, and of a varying value, being placed *ad valorem*. A new sub-heading of "Pipes and tubes" *ad valorem* has been added, as the Committee are of opinion that the purposes to which iron pipes are mostly applied warrant their being taxed at one per cent. in common with other specified articles under the head of "Iron," rather than under the heading "Other sorts," which hitherto has included them.

In sub-heading "Rod, round, &c.," it is proposed to substitute "not exceeding," for the word "under," which if interpreted literally would allow rod of exactly half an inch to escape tariff valuation. In "Other sorts" it is proposed to omit the exemption of "anchors and cables," and a separate sub-heading has been provided for them in alphabetical order.

Under *Lead*, pipes have been removed to the *ad valorem* list, as the values vary; and tin pipes have been omitted, as no separate classification for them is required.

Under *Sheet-lead*, the words in a bracket have been omitted, and a separate head of "Tea lead" at Rs. 20 per cwt. has been introduced.

Under the sub-head *Spelter*, "Plate, &c.," has been divided into "soft" and "hard," the former being raised to Rs. 15 and the latter left at Rs. 11.

To the sub-head *Steel, British*, the words "and foreign other than Swedish" have been added, as it was found that steel comes from other countries than England of the same value as British, with the exception of Swedish, which is more valuable.

Under *Other sorts*, after "Cutlery" it is proposed to introduce "and plated-ware" and to strike out "machinery." Plated-ware has been introduced with the object of removing disputes which often arise, and machinery has been put under a separate heading.

The revised valuations in "*Copper*" range from about 15 to 20 per cent. increase in most articles under that heading. The prices of copper at present are rising in the market.

The present prices of *Iron* are below the average of the last two or three years, and the valuations now recommended have been fixed with reference to the fact that the market is rather a falling than a rising one.

15. *Naval Stores.*—The words "Maldive and Laccadive" have been omitted, as coir rope comes from elsewhere as well.

In "Pitch and Tar" the system of valuation by the barrel has been found inconvenient, and it is recommended to fix the valuation per cwt.

16. *Oils.*—Spermaceti has been specially excepted from whale oil. Spermaceti oil is much more valuable than other whale or fish oils, and the practice has been to tax it under the head of "Other sorts" *ad valorem*. The addition made will give legal sanction to this practice.

17. *Paints, &c.*—Patent driers have been placed in a sub-heading with a separate valuation, as the valuation for composition paint is too high for them. The word "Macao" has been omitted from "vermilion," as this article comes only from China, and the small valuation of Macao leads to constant attempts at fraud.

18. *Perfumery.*—The changes under this head are made with the view of not allowing spirits, merely because they are perfumed, to escape the high duty fixed on spirits, and are based on the practice of the English Custom House. Small bottles of scents, however, will continue to be taxed *ad valorem*.

19. *Porcelain, &c.*—The word "China" has been added to remove doubts, and a fresh sub-heading has been introduced to provide for glazed tiles and bricks, and to remove earthen-ware pipes from a 7½ per cent. rate of duty to a 3 per cent. rate.

20. *Provisions.*—The word pork has been added to "Hams," to save from an unduly high valuation mutton hams, which are occasionally imported.

A new heading for "China Preserves" is introduced, as they are of a regular value, and a tariff valuation saves trouble. At present they come in under "other sorts."

21. *Ratans, &c.*—The exception as to bamboos is to remove doubts which sometimes arise.

22. *Seeds.*—There is so little difference between mustard and rape or sursee, that it is thought better to abolish the distinction.

23. *Shells.*—The price of mother-o'-pearl has risen so much that the valuation of Rs. 30, instead of 8 per cwt., is still below the present market value.

24. *Spices.*—A new heading for betel-nuts imported from Goa has been introduced, with a separate valuation. The increases of valuation in cloves and pepper are very great, but well within average market rates.

25. *Tea.*—A distinction has been drawn between black and green tea, the latter being more valuable.

26. *Toilet requisites, &c.*—This new heading has been introduced, as constant difficulty appears to be felt at the custom houses in taxing miscellaneous articles which would appropriately come under it. At present they are disposed of under the heads of "Perfumery, Metals, Hardware," &c.

27. *Umbrellas.*—The addition is made to remove from the *ad valorem* list to a fixed valuation a class of umbrellas largely imported from China, viz., oiled-cotton umbrellas.

EXPORTS.

V.—1. *Cotton Goods.*—The new headings and the changes in the classification of twist are in accordance with a recommendation from the Bombay Chamber of Commerce. As Bombay has almost a monopoly of these exports, the Committee adopted their recommendation.

2. *Hides, &c.*—The word "tanned" is unnecessary opposite "buffalo." The heading "Goats and Sheep" has been sub-divided, goat-skins being much more valuable than sheep skins.

3. *Lac.*—The valuations in lac show an enormous increase; the market has been a rising one, and is at present above the valuations. Lac-dye has been struck out in consequence of the recent Government Resolution on this subject.

4. *Indigo.*—It is proposed to introduce a fresh sub-heading "Leaves, green or dry," at a duty of Rs. 3 per ton, to meet a practice in Madras, whereby the revenue suffers. The leaves, which are not dutiable, are exported into Pondicherry, and indigo is subsequently made from them in foreign territory.

5. *Seeds.*—Mustard, rape or surseee are classified together for the same reasons as are given on the import side.

VI.—Little or no import trade in the following articles has led the Committee to recommend their omission from the tariff. If imports should take place, they will be dealt with under the sub-heading "Other sorts" of the heading to which the article belongs.

Import—

Red coova under "Drugs and medicines," No. 13.
Gamboge wood and four kinds of saffron under "Dyeing and coloring materials," No. 14.
Mangoes and prunes under "Fruits and vegetables," No. 17.
"Glass, broken" under "Glass," No. 18.
Rhinoceros leather under "Hides and skins," 21.
Foil from Europe under "Metals," No. 29.
Cardamoms, cinnamon, earth, and sorrel oils under "Oils," No. 31.
Anchuchuck, anise, assalia, cajoo, esubgool, tookmeria under "Seeds," No. 43.
Aloe wood, cassia-buds, mace false, wild nutmegs, under "Spices," No. 47.

Export—

Aloe wood under "Spices," No. 8.

VII.—The following articles in imports which appear under fresh headings in the proposed tariff will be noticed in that part of the report which refers to duties:—

Bitumen and mineral tar—Manufactures of cork, of hemp, of gums, of ratans and canes, and basket-work—Anchors and cables—Instruments, drawing, optical, surveying, measuring, surgical (including surgical appliances)—Butter,—Tallow and grease.

REMOVALS FROM THE IMPORT TARIFF.

VIII.—The only articles of which the entire removal from the Import Tariff (*i.e.*, exemption from duty) is recommended by the

Committe are—Fish-maws, sozille and singally fish, and shark-fins, under heading 39, "Provisions." These articles only pass through Bombay, being re-exported, and the entire duty, with the exception of the usual drawback, being refunded. The Committee would have been glad to recommend the excision of all articles yielding small amounts; but precluded as they are in the peculiar circumstances of India from proposing an increase of duty on any article which could yield a large return, they felt unwilling to recommend the relinquishment of a sum which as a total is of importance, although the items composing it are of insignificant value. It must also be noted that in the present Tariff there are only seven general headings which yield sums less than Rs. 10,000, and that there exist objections against removing from the Tariff only parts of a general heading.

DUTIES, WEATHER ON THE IMPORT OR EXPORT SIDE, SERIOUSLY PREJUDICIAL TO THE ARTICLES SUBJECT TO THEM.

IX.—*Imports.*—The Committee find that the only duties which can be deemed prejudicial are those upon certain metals regarding which a complaint addressed to the Governor General in Council by the Bombay Branch of the East Indian Association has been referred to the Committee. Under the general head of "Copper," including yellow metal, the fall has been remarkable all over India, excepting British Burmah, as will be seen from the table below :—

Year.	Bengal.	Bombay.	Madras.	Sind.	Burmah.	Total value.	Duty.
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.
1869-70 ...	85,6[illegible],161	82,74,246	10,55,821	72,928	68,136	1,75,36,352	13,14,821
1870-71 ...	62,63,436	58,91,825	12,15,667	1,74,296	72,358	1 36,17,582	8,87,821
1871-72 ...	58,03 577	37,18,243	7,01,378	40,058	1,(3,488	1,03.66 741	7,74,553
1872-73 ...	27,87.229	25.78,725	3,04,944	3,425	1,13,561	57.87.884	4,42.886
1873-74 ...	27,26,973	17,99,240	5,41,04[illegible]	...	99,693	51,66,946	3,87,521

This fall appears to be atttributable, partly to the higher prices of metal in Europe of late years, and partly to the somewhat depressed condition of the agricultural classes in some parts of India. When those classes are prosperous they buy copper vessels, but in hard times they return to clay ones. The reaction which has taken place in Bombay since the termination of the American war is notorious. Under these circumstances, and considering that a higher tariff value has necessarily been fixed, the Committee consider that it would be good policy to relieve the article by a reduction of the rate of duty from 7½ to 5 per cent. This reduction should not, however, extend to the metal when manufactured into utensils and other articles, so as to follow the analogy of iron, such manufactures of which have always been subject to the full duty of 7½ per cent. The case of lead and spelter is somewhat similar, and the Committee would relieve them in the same way as copper, especially as lead is mostly used in conjunction with other metals. Quicksilver, too, has fallen off greatly, and should be relieved similarly.

The total revenue affected by these reductions, calculated on

the basis of the new tariff valuation, will apparently be about Rs. 1,70,062, but it is fair to anticipate that some portion will be recovered by the reduced duties stimulating consumption. After considering the representation of the Bombay Chamber of Commerce regarding sugar and dates, the Committe were of opinion that the trade in them is not prejudiced by the duty.

X. *Exports.*—As regards exports, the Committee in the first place, framed the following general estimate of the probable amount which existing duties would produce in 1875-76:—

Articles.	Five years' average, 1868-69 to 1872-73.	1872-73 included in previous average.	1873-74.	Estimate.	Increase or Decrease by new valuations.	Net Estimate.
	Rs	Rs.	Rs.	Rs.	Rs.	Rs.
Rice and Paddy ..	44,03,901	61 74,968	52,96,861	53,00,000	*Nil*	53,00,000
Lac	92,703	81,765	1,03,337	1,00,000	+ 1,40,000	2,40,000
Indigo	4,33,510	4,72,097	4,72,903	4,72,000	*Nil*	4,72,000
Hides and Skins ..	1,32,513	2,08,583	1,88,987	2,00,000	+ 50,000	2,50,000
Cotton Goods ..	1,21,277	1,31,658	1,57,971	1,60,000	— 17,000	1,43,000
Seeds	7,57,616	4,71,719	7,26,010	7,50,000	+ 34,000	7,84,000
Grain, other sorts..	1,90,846	2,55,912	1,37,514	2,00,000	*Nil*	2,00,000
Oils	1,04,965	1,07,090	85,567	1,05,000	— 7,000	98,000
Spices	67,197	51,391	71,036	65,000	+ 15,000	80,000
Sundry items ..	3,783	707	535	3,000	*Nil*	3,000
Total ..	63,08,311	79,55,890	72,40,721	73,55,000		75,70,000

Their conclusions regarding each item will now be briefly mentioned in order:—

1. The *Rice* and *Paddy* trade is to the extent of three-fifths in the hands of Burmah. The market for the Burmese article is by all accounts perfectly secure, and there are special reasons connected with the land revenue why the duty can be borne by the producer, upon whom it is believed sometimes to fall. As regards Bengal the case is somewhat different; but considering the comparatively small proportion of its export, and that its trade with the eastern markets, in which it had to encounter the competition of rice from Cochin China, Siam, and Java is practically dead, a distinction need not be made. The Committee therefore do not recommend interference with the duty, and the more so as the difficulty of replacing the large sum it yields would probably be an insuperable financial obstacle to its removal.

2. The duty on *lac* likewise need not be interfered with, as it does not affect the trade in the article, in which India holds the monopoly.

3. *Indigo* is understood to bear the present duty, amounting to 1 per cent., without actual injury to the trade, and circumstances have removed the grounds of complaint on this subject which at one time existed in Madras. The Committee therefore do not recommend any alteration in it; at the same time they would remark that there appears a certain hardship in taxing indigo while jute is free, and that whatever arguments were deemed by the Secretary of State of sufficient weight to justify the disavowal

of Act. XVII. of 1865, by which jute was taxed, apply equally in favour of placing indigo on the free list whenever the financial position of the Government may enable them to do so. On the other hand, if the objections referred to are not of present application, the article jute is on its merits a fair subject of taxation. A duty of 6 pie per maund would come to about 1 per cent., as in the case of indigo, and would yield Rs. 2,05,000.

4. In *Hides* and *Skins* the trade has doubled in the last five years, as shown in the statement below:—

YEAR.	Bengal Presidency, value.	Bombay Presidency, value.	Madras Presidency, value	British Burmah Presidency, value.	Sind Presidency, value.	TOTAL VALUE.	TOTAL DUTY.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1873-74 ..	2,67,566	9,78,200	50,42,733	4,900	6,166	62,99,565	1,88,987
1872-73 ..	5,40,365	15,14,996	49,01,578	10,761	11,561	69,79,211	2,09,583
1871-72 ..	2,77,978	10,23,734	38,40,193	2,017	1,233	51,15,157	1,53,982
1870-71 ..	2,15,508	5,50,216	30,06,711	2,449	10 119	37,85,004	1,17,726
1869-70 ..	1,42,742	2,43,831	29,3 ,653	703	15,403	33.34.332	1,00,292

It has been urged that a repeal of the duty will encourage cattle-poisoning, which already prevails to a large extent in certain parts of India. The Committee cannot of course consider that an export duty is the proper means for putting down an offence, but the objection may be allowed some weight along with the fact that the trade is flourishing and not in need of relief.

The abolition of the duty on cotton goods exported is advocated by the three Chambers of Commerce. The case is also very fully stated in paragraphs 4 and 5 of the Memorial of the Bombay Branch of the East India Association already referred to. The Committee consider it clear that Indian manufactures are weighted to the extent of the export duty when competing in all foreign markets with the products of Lancashire. A large proportion of country piece-goods, moreover, is made of English twist which has already paid the 3½ per cent. import duty. The export duty on coal and iron was removed in 1862 (see Financial Statement of 1862, p. 17) as it was open to analogous objections, and the Committee recommend abolition in this instance also.

5. The Committee further recommend the removal of the duty on *seeds, grain, other sorts, oils,* and *spices*. The condition of the trade in these articles will be seen from the statement below, which shows the amount levied on each during the last six years:—

YEAR.	Seeds.	Grain, other sorts.	Oils.	Spices.
	Rs.	Rs.	Rs.	Rs.
1868-69	6,65,054	1,69,078	1,21,510	64,457
1869-70	7,22,861	1,46,208	1,04,305	59,271
1870-71	10,79,984	1,74,472	56,038	68,882
1871-72	8,48,462	2,08,562	1,35,881	91,985
1872-73	4,71,719	2,55 912	1,07,090	51.391
1873-74	7,26,010	1,37,514	85,567	71,036
AVERAGE.	7,52,348	1,81,957	1,01.562	67,837

These figures appear clearly to show that, speaking broadly these articles have made no advance during the past six years. It

is no doubt true that individual oils or seeds might be picked out which are doing well, but many others show a heavy and steady decline, and it does not seem desirable, if indeed it be practicable, to deal with portions only of a general head, and give an artificial encouragement or check to one grain or oil compared with another. It will also be observed that these articles are more or less subject to vicissitudes both as to price and supply. It may be added that seeds and oils encounter a formidable opposition from Russia and America—countries having great natural advantages over India as regards freight to a market, and time within which a return can be obtained. The relief of all four items is advocated by the Chambers of Commerce. It is proper to state, however, that in the case of *seeds, grain other sorts*, and *oils* the recommendation for abolition on the above grounds proceeds only from a majority of the Committee (Messrs. Dalyell, Bullen Smith, Murray and Hope). These members do not think it necessary to offer any lengthy and elaborate exposition of the objections to export duties, which are well known. If relief from duties be financially practicable, they think it ought in the first instance to be applied to exports, especially those of raw materials, in consideration of what the Manchester Chamber of Commerce, in their recent address to the Marquis of Salisbury, aptly term the "paramount importance of agricultural industry to the people of India, and the abundant return which rewards its development." As regards the three articles now in question, they would invite attention to the following quotations:—

"So far as India possesses the monopoly of the foreign market, or a decided superiority over all other countries taken together, an export duty must be paid by the consumer. So far as exported articles are met by an effective competition in the foreign market, the duty must be paid by the producer."—(see Sir Charles Trevelyan's Financial Statement of 1865-66, page 20).

"When the incidence of the tax is on the producer, export duties are condemned by all sound writers on political economy."—(Speech of the Hon'ble Mr. Bullen on passing of Act XVII. of 1865).

They consider that there can be no doubt that these three articles, taken *as a whole*, are subject to effective competition, which at times throws the duty on the producer, and even checks exportation altogether.

XI.—The total estimated value of the duties which the Committee thus either unanimously or by a majority recommend for removal, as seriously prejudicial to the articles subject to them, is 14¾ lakhs, as shown marginally, and more fully in Appendix C-I. This loss is estimated on the corrected valuations and at the proposed duties. But the actual loss will be less, owing to the stimulus to consumption given by the reductions in metals.

	Rs.
IMPORTS—	
Copper, &c.	1,45,107
Lead	2 800
Quicksilver	8,940
Spelter	13,780
EXPORTS—	
Cotton goods	1,43,000
Grain, other sorts	2,00,000
Seeds	7,84,000
Oils	98,000
Spices	80,000
TOTAL	14,75,627

EFFECT OF THE IMPORT DUTIES ON COTTON GOODS AND TWIST MANUFACTURED IN ENGLAND.

XII.—In so far as the complaints alleged that the tariff valuations were excessive, they have been found to be just, and the Committee have already recommended reductions involving relief to the extent of Rs 6,42 000 as shown in Part I. of this Report and in appendix B. But it is also urged that the duty is "absolutely prohibitory of the trade in yarn and cloths of the coarse and low-priced sorts," which the Indian mills make largely under the protection of the duty, and it is suggested that ere long the finer yarn and cloth will, with the help of importations from Egypt and America, be manufactured also. It must, of course, be admitted that the Indian mills have injured the English ones to the extent to which their manufactures have displaced the manufactures of Manchester, less their exports to other countries, and the amount of the injury they have inflicted on the hand-looms of India in localities which Manchester goods have not been able to reach. But the duty, though contributing to this result, cannot be said to be the sole cause of it, since India, with many disadvantages, possesses certain natural capabilities for producing goods of this low quality which will probably secure the trade in them to her, even if the duty be removed. On the other hand, if the duty were as prohibitory as it is represented to be, the market would not be habitually over-stocked, as it has been for years.

XIII.—The Committee think it more to the purpose to consider what proportion the particular goods which have to meet Indian competition bear to the whole cotton import duty, and how far this competition justifies the demand for abolition of the entire duty which has been brought forward. The Indian mills can make mule twist up to 32s. and water twist up to 20s.; as also longcloths, T cloths, drills, domestics, jeans and sheeting. The prospect of the finer kinds of yarn and cloth, being made with profit or success is notoriously so remote, and the enterprise so doubtful, that it is quite unnecessary to take it into present calculation. The duty levied in Bombay in 1873 74 upon the similar Manchester goods which have to stand the Indian competition was about 2 lakhs of rupees. If the total duty on such goods paid in all India be taken, though the mills beyond the Bombay Presidency are as yet comparatively unimportant, it would barely exceed four lakhs. The demand that because one class of goods, represented by 4 lakhs of duty in all India, has in one part of India to meet a local competition, the Government shall remit the remaining 77 lakhs which competition does not affect, appears to the Committee quite unreasonable, and it is unnecessary even to enquire whether the finances could afford the remission. The scheme of removing the duty on coarse goods only, though reasonable in theory, is difficult in practice, as explained by the Chairman of the Bombay Chamber of Commerce in his published speech of January 5th, and has, he admits, been in England pronounced unworkable.

	Rs.
On Twist - -	16,412
On Long Cloths, &c.	1,87,926
TOTAL	2,04,338

The alternative of an excise duty on the Indian mill products remains, but part of it would have to be refunded on exportation, and the Committee see no more need for establishing a cumbersome and expensive excise machinery now than there was in 1861 and 1862, when Mr. Laing decided against it (Financial Statements, 1861, page 11, and 1862, page 14). There are numerous heads in the Import Tariff which embrace some articles which are also to a certain extent produced in India, and the Committee consider any alteration in favour of cotton goods to be uncalled for.

FRESH ARTICLES SUBJECTED TO DUTY AND INCREASE OF EXISTING RATES OF DUTY.

XIV.—The Committee, in view of meeting in some measure the loss of revenue involved in their previous recommendations, consider that the rate of duty on a few articles of import might be raised, and some new articles brought upon the tariff. They are of opinion that, generally, articles of luxury might contribute to the exchequer more than at present. It is proposed therefore to raise from 7½ to 10 per cent. the duty on—

Beads and false pearls.
Corals, real.
Fireworks.
China glass bangles.
Perfumery.
Toys and requisites for games.

On *silk piece goods* the Committee would raise the duty from 5 to 7½ per cent.

XV.—As regards *spirits and wines*, they have recommended an increase of 33 per cent. on the former, and on certain kinds of the latter an increase of about 66 per cent. The only two principles according to which wines can be taxed are the principle of strength and the principle of value. The Committee are clearly of opinion, notwithstanding the opposite practice in England, that the principle of value is the correct one. But owing to the insuperable difficulty of ascertaining the market value of consignments of wine, the principle cannot be acted up to fully and logically. The nearest practical approach to its enforcement is a rough classification of different kinds of wines, arranged, as regards the bulk of them, according to value. This is the plan the Committee have adopted. They are also influenced with reference to the cheap French clarets by the same motive as that which lately in England led to a distinction being made in favour of these wines. It is thought advisable that clarets should continue to pay a rate of duty not higher than at present, while stronger and dearer wines, can easily bear enhanced taxation. In making the present classification the Committee was met by the difficulty that the expensive French Clarets and Burgundies would come in under the lower rate of duty. It appeared, however, that the proportion of these to the weaker and cheaper kinds was so small as not to make the objection a practical one. Thus in clarets, enquiry shows

the proportion of expensive to cheap claret to be, as far as a rough estimate can fix it, about 1 to 5 at most, while in Burgundy the proportion is much less. The average price of all clarets imported into Calcutta is about Rs. 15 per dozen, and about Rs. 12-8 in Bombay.

XVI.—Prima facie, *jewellery and silver-ware* would appear to be goods which should be included among other articles of luxury on which an additional duty is proposed. The reason for their non-inclusion is, as regards jewellery, facility of smuggling it, and, as regards silver-ware, the fact that the trade in this article is a declining one. In connection with this subject, the Committee would call the attention of Government to the practice of transmitting jewellery and watches to this country from England through the post office. It is believed that the customs revenue is in this manner defrauded to a considerable extent. The customs authorities and the post office would probably, if consulted, be able to devise a remedy.

XVII.—On *iron* of the kinds tariffed, the Committee propose a duty of 2 per cent. instead of 1 per cent. They fail to see why this metal should continue to be introduced into India at so low a rate of duty as hitherto. Its employment in manufacturing industries and in other businesses warrants, in their opinion, its paying a higher duty.

XVIII.—For much the same reason the Committee recommend that *machinery* be no longer admitted free, but pay a duty of 2½ per cent. It is mainly used in the many manufactures which have now established a firm existence, and there appears no reason for continuing to it the indulgence originally given as an encouragement and help to the nascent manufacturing industry of India.

XIX.—There are besides machinery a number of small new articles brought upon the tariff which appear to the Committee fit subjects for taxation, and the omission of many of which they believe to be due to an oversight.

1. Thus *asphalte* being a duty-paying article, the Committee have introduced *bitumen* and *mineral tar*, and *cements* generally.

2. *Brushes* also come under a separate heading. There has been a diversity of practice about this class of articles: some kinds of brushes paid duty, some escaped.

3. *Manufactures of cork* have been given a place. The Committee fail to see why, corks paying duty, other manufactures of cork should escape.

4. *Chemicals* have been re-introduced into the tariff. There are frequent disputes at present as to whether a certain article should pay as a drug or a dye, or escape as a chemical. There seems to be no good reason why chemicals used as medicine should be more severely treated than others.

5. *Manufactures of hemp* have also been placed in the tariff. The Committee consider them as fair subjects of taxation as manufactures of flax.

6. *Manufactures of gums* should also, the Committee think, be taxed as well as the raw material, which at present pays duty.

7. To *Instruments, musical*, the Committee would add optical and

surgical, as also all instruments for drawing, surveying, and measuring, and surgical appliances. There appears no sufficient reason for exempting any of the articles coming under these heads. At present surgical instruments pay as cutlery, but they would be more appropriately taxed under the head proposed. Surgical appliances are really in the same category, in reference to their use, as surgical instruments.

8. *Compositions for application to leather and metals* it is now proposed to tax. Under this heading would come blacking, varnishes for leather, and any composition applied to metals for purposes other than lubrication.

9. *Toilet requisites* is a new heading; some of the articles falling under it have hitherto been taxed improperly as perfumery. It comprises others which have been admitted free, but which appear fit subjects for a duty.

10. The Committee think that *bricks and tiles* might well bear the small duty of 3 per cent. *ad valorem* and that *China clay*, the substance with which the Bombay mills adulterate their cloth, ought to pay a high duty.

11. *Rattans and canes* being already taxable, the *manufactures* of them and *basket work* should, in the Committee's opinion, be similarly treated.

12. *Tallow and grease* have hitherto been improperly taxed as railway materials on this side of India, while in Bombay they have passed free. There seems no good reason, if machinery pays duty, why these two articles and compositions for lubricating purposes should not also be taxed.

	Rs.
Silk	1,21,000
Machinery	2,6 ,000
Iron	45,000
Items raised to 10 per cent.	84,158
Spirits and liqueurs	6,26,000
Wines	2,46,000
Minor Items	75,000
TOTAL	14,57,158

XX.—The total result of new duties and of additions to existing duties is estimated at Rs. 14,57,506, as shown marginally, and in greater detail in Appendix C.

GENERAL REMARKS.

XXI.—In conclusion, the Committee desire to point out, that if the Government should decide not to tax machinery, a definition should be introduced into the Act showing what kinds of machinery are to be admitted free. As the law stands, machines for making aerated waters, for producing ice, for grinding oats and grain, &c., pay no duty. The Committee presume this was not the intention of Government. They recommend a return to the definition of Act VII of 1859, with the addition of certain words which would make the definition as follows: "Machinery for improvement of the communications, and for development of the resources of the country, and for purposes of printing, lithography, engraving and such like."

XXII.—The Committee have experianced in the course of their inquiries a good deal of difficulty owing to the deficient manner in which custom-house returns are made up. The entries as regards many classes of goods give no sufficient details. It is recommended

that orders be issued to all custom houses in India to prepare one return strictly according to the classification of the tariff finally approved by Government.

XXIII.—The financial results of the Committee's recommendations may be summed up as follows :—

The loss by tariff valuations will be Rs. 2,60,000 as shown in Appendix A (or Rs. 4,20,000 in the event of the lower valuation for certain piece-goods referred to in page 3 of this report being adopted). The duties proposed for remission amount to Rs. 14,75,000 and the total loss therefore will be Rs. 17,35,000 in the one case and Rs. 18,95,000 in the other. The new duties and increases of duty suggested are Rs.14.57,000, so the apparent net loss would be either Rs. 2,78,000 or Rs. 4,38,000, against which must be set the increased consumption and duties which may be expected to follow the reductions in tariff value, and in rates on metals, the amount of which the Committee are unable to estimate.

XXIV.—Two memoranda of dissent to certain portions of the report which have been handed in—the one by Messrs. Money and Lane, and the other by Mr. Hope—are appended.—I have, &c.,

J. D. MACLEAN,
Secretary to the Tariff Committee.

MR. T. C. HOPE'S DISSENT.

I have concurred in the Report of the Committee, subject to the following reservations.

2. The proposal of a majority of the Committee to raise the import duty upon beads, bangles, corals, fireworks, perfumery, and toys and games from 7½ to 10 per cent. appears to me extremely objectionable. The general principle of the Indian tariff has been that of a uniform rate of duty, except in the case of articles such as tobacco, wines, and spirits, which were treated specially. The normal rate previous to 1859 was 5 per cent., but in that year the pressure consequent on the mutiny lead to a general increase to 10 per cent., with a 20 per cent. duty on nine articles. The 20 per cent. rate was a financial failure, and in 1860 Mr. Wilson reverted to a uniform rate of 10 per cent. This high rate was confessedly "imposed to meet an emergency." Piece-goods and twist were in 1862 put back to their normal rates of 5 and 3½ per cent., and the other articles were in 1864 reduced to 7½ per cent., as an instalment of relief which was the most then financially practicable. Mr. Wilson in 1860 said that "there is no good reason why cotton yarn and twist should be imported at a lower rate than cotton piece-goods ;" and similarly there is no reason why cotton goods generally should pay a lower rate than other articles. I hope that the next general change will be a reduction of the 7½ per cent. rate to 5 per cent., and I believe that fiscally the result would be very satisfactory. An increase from 7½ to 10 per cent. at the present day seems to me a step in the wrong direction, and contrary to the principle and history of the tariff. The principle on which the seven articles have been

selected for increase, namely, that they are "luxuries," appears also to be of doubtful policy and application. What is a "luxury?" Are not some things luxuries to one class in life and necessities to another? And are we to come heavily down on the perhaps solitary luxury of the poor? Certain ornaments, as bangles, indicate in large sections of Hindu society a particular status, as of marriage. Are these luxuries or necessities? The Committee negatived formal proposals to subject to the 10 per cent. rate photographic materials, clocks and watches, china, cameos, tortoise-shell and mother-of-pearl, and musical instruments, which I submitted with the view of arriving at their principle. But are watches and cartes-de-visite necessities? What difference is there between a cameo or tortoise-shell comb on the one hand and a bangle or bead necklace on the other? And why should not French millinery pay as high as the latter? Also, why is a billiard table to pay 10 per cent. and a piano only 7½? If the "luxury" principle is to be introduced into the tariff, it should be applied throughout, and a Committee of philosophers and moralists convened to settle the curious questions which will arise. The whole of the 10 per cent. increases are only estimated to yield Rs. 84,000, and it would be much better to abandon them.

3. I regret that the Committee have only raised champagne and sparkling wines by Re. 1, and other wines (except claret) by 8 annas, instead of by Re. 1-8 and 12 annas respectively, as I had proposed. It is admitted in the Report that an *ad valorem* duty would be proper theoretically, but could not be worked in practice. Concurring in this, I proposed rates which would have a tolerably equal percentage of incidence on each main class of wine. The calculations in a minute which I laid before them, and which have not been disputed, show that claret, which it is not proposed to touch, now pays about 20 per cent. *ad valorem*, and that to subject champagne and "other wines" to that rate, increases of Re. 1-8 and 12 annas respectively are required. This being so, I fail to see why only Re. 1 and 8 annas should be adopted. The reason given that these increases are enough, being 66 and 50 per cent. over existing rates, seems to me beside the question, and inconsistent with the admission that an *ad valorem* duty, if practicable, would be best. It is not contended that the extra 8 or 4 annas would check consumption. The sum involved is Rs. 48,224 for the champagnes and Rs. 75,000 for the others, total Rs. 1,23,224, which could be obtained without difficulty, and would more than cover the abandonment of the increases to 10 per cent. above referred to.

4. I feel that there are strong objections to the proposed imposts on iron and machinery. It is probable that the extra one per cent. on the former would hardly be felt, and that two and a half per cent. on the latter would not actually check the use of machinery. But the reasons assigned by Sir Charles Trevelyan (Financial Statement of 1863, page 19) for the reduction of iron to one per cent., that it is "a material of industry so essential to the development of the great works upon which the future of India depends," has not lost its force, and an increase may also be represented as protective of the infant iron trade of India. The tax on machinery

would be a tax on capital, to which the objections are well known. An increase on either article will rouse the powerful iron, coal, and machinery interests of Great Britain without either sufficient necessity or a sufficiently strong case, and I do not think it would be politic to provoke the contest. The amount involved is 3 lakhs at most, even if the large machinery imports of 1873-74 be maintained, which is doubtful.

In conclusion, I will sum up the financial results of the measures, which I have advocated. The loss by tariff valuations, including the Rs. 1,60,000 on piece-goods, regarding which the Committee are equally divided—and I am on the side of reduction—will be Rs. 4,20,000. The duties proposed for reduction or remission amount to Rs. 14,75,000 (*vide* Appendix. C-II), giving a total loss of Rs. 18,95,000. Deducting from the proposed new or increased duties shown in Appendix C-I Rs. 305,000 for machinery and iron and Rs. 84,000 for the 10 per cent. items, total Rs. 3,89,000, but adding the Rs. 1,23,000 for higher duties on wines, the total increase *per contra* will be Rs. 11,91,000, and the net result will be an apparent probable loss of Rs. 7,04,000. But against this must be set the increased consumption and duties which may reasonably be expected to follow the reductions in metals and tariff values, the latter alone amounting to Rs. 9,27,000, of which the share of cotton goods is Rs. 8,02,339. The amount of this recoupment we have not the means of accurately estimating, but if the net loss should prove to be three or even four lakhs of rupees, I trust that the Government of India may find their general financial position sufficiently strong to bear it, in consideration of the relief and stimulus to trade and the general satisfaction which must follow the various reductions and the removal of so large a portion of the export duties.

27th February, 1875. T. C. HOPE.

MESSRS. MONEY AND LANE'S DISSENT.

I differ with the majority of the Committee in regard to certain parts of the Report which refer to export duties. I take exception to the remark, that "there appears a certain hardship in taxing indigo while jute is free." I see no connection between the two. Indigo is a manufacture; jute a raw material. If the duty as an export duty falls upon the producer, it falls in the one case on the English planter, in the other on the Indian grower. I am of opinion that both articles are proper subjects of duty, each on its own merits. Indigo is a manufacture which no other country can equal; jute is a raw material of which India has the monopoly. If there be hardship as regards the taxing of any Indian produce while jute is free, it falls upon rice, seeds, and spices—articles in which there is much more competition than there is in indigo. The comparison with indigo has induced the majority of the Committee to recommend a duty on jute of only half anna per maund if it should be taxed. I would impose one anna, which would still be below the rates fixed on other raw materials exported and would give over four lakhs.

I do not agree with the recommendations generally of the majority as to certain headings of the export tariff.

I am opposed to the abolition of duty on grain generally as long as that on rice and paddy is retained. The question whether the duty on export in grain is or is not a proper means of raising revenue is a question which applies to all grains; and the only good reasons I can conceive for making a difference between the various kinds of grain, as far as regards their liability to be taxed, are when, from competition or other causes, the duty is found to interfere with trade in a particular class of grain, or when the financial results of the duty on any one class are so small as not to counterbalance the disadvantages inherent in the imposition of all duties, import or export. Neither of these reasons in my opinion so exist as to warrant the recommendation to free from duty all grains except rice and paddy—though on the first ground there may be cause shown for some relief. The statement below shows the duty realised on all such grains (excluding wheat, which has been freed from duty) and on pulses for the last twelve years:—

1862-63.	1863-64.	1864-65.	1865-66.	1866-67.	1867-68.
Rs. 1,54,362 Mds. 12,34,896	Rs. 1,90,920 Mds. 15,27,360	Rs. 1,58,320 Mds 12,66,560	Rs. 1,41,018 Mds. 11,28,144	Cannot be given, the duties on rice and other sorts being shown together.	Rs. 2,83,697 Mds. 15,13,050
1868-69	1869-70.	1870-71.	1871-72.	1872-73.	1873-74.
Rs. 1,69,078 Mds. 9,01,749½	Rs. 1,46,208 Mds. 7,79,776	Rs 1,74,472 Mds. 9,30,517⅓	Rs. 2,08,562 Mds. 11,12,330⅓	Rs. 2,55,912 Mds. 13,64,864	Rs. 1,37,514 Mds. 7,33,408

The falling off in the last year is attributable to the famine, which checked the exports of all grain. The statement also shows the quantities on which duty was paid during the same twelve years. While the totals of duty have increased from 1865-66, the exports themselves decreased after duty was raised in 1867 from two to three annas a maund, and it is only in the last three years (excluding the famine year) that they are reaching their former level. I would therefore return to the two-anna duty for all grains and pulses, excepting rice and paddy. These two have not been affected by the duty. The average quantity of rice exported during each of the four years preceding the year of enhancement of duty was 781,401 tons, which in 1871-72 rose to 849,544, and 1872-73 to 1 148,689. It appears to me that as the exports of the other grains are increasing steadily, and in the year before the famine exceeded the average of the four years preceding the enhancement, the reduction of the duty from three to two annas is the maximum of relief required, if any be required.

The only exception I would recommend is as to barley, which resembles wheat, and might with advantage have the same indul-

gence extended to it as has been granted to wheat. The exports of this grain are small at present, but in 1871-72 a large quantity, nearly 79,000 cwt., was exported from Bombay and Sind, giving evidence of a considerable cultivation and of importations from the Persian and the Arabian Gulfs. Exemption from duty might develop the trade in barley.

With reference to the remark of the majority of the Committee, that "it does not seem desirable, if indeed it be practicable, to deal with portions only of a general head and give an artificial encouragement or check to one grain or oil compared with another," I would observe that this is exactly the course the Government took in the matter of wheat, and the very course followed by the majority themselves when they recommend the retention of duty on rice and paddy, and its abolition in connection with other grains. The difficulty seems to me quite an imaginary one.

If the duty on *grain, other sorts*, be not abolished, the word *pulses*, which formerly was in the tariff, should be re-introduced. *Gram, dâl*, and *peas*, and other similar products are pulses, *i.e.*, are formed in pods instead of in the ear, as is grain.

Oils.—The statement below shows the duty realised on oils during the last twelve years :—

1862-63.	1863-64.	1864-65.	1865-66.	1866-67.	1867-68.
1,06,823	1,18,532	63,560	37,982	39,269	60,976
1868-69.	1869 70.	1870-71.	1871-72.	1872-73.	1873-74.
1,21,510	1,04,305	56,038	1,35,881	1,07,090	85,567

The figures give evidence of a very fluctuating trade, while the general result shows no improvement. I think therefore that oils generally require relief, but it does not follow that every oil is injuriously affected by the duty. Castor oil is almost a monopoly of Indian production, a small quantity only being exported from the West Indies and from North America.

The subjoined statement of exports of castor oil from Bengal to foreign countries, made out for the last twelve years, shows (especially if the first year, which was quite an exceptional one, be left out) an increase of exportations, reaching in the last year to a considerable amount :—

1862-63.			1863-64.			1864-65.		
Cwt.	Duty.		Cwt.	Duty.		Cwt.	Duty.	
	Rs.	A. P.		Rs.	A. P.		Rs.	A. P.
60,485	21,771	1 6	35,989	12,826	10 6	34,518	12,420	9 0

1865-66.		1866-67.		1867-68.	
Cwt.	Duty.	Cwt.	Duty.	Cwt.	Duty.
39,964	Rs. A. P. 14,376 3 9	39,712	Rs. A. P. 14,811 3 9	50,271	Rs. A. P. 23,979 4 3

1868 69.		1869 70.		1870-71.	
Cwt.	Duty.	Cwt.	Duty.	Cwt.	Duty.
66,339	Rs. A. P. 31,706 7 3	54,978	Rs. A. P. 31,192 0 3	46 406	Rs. A. P. 22,185 5 3

1871-72.		1872-73.		1873-74.	
Cwt.	Duty.	Cwt.	Duty.	Cwt.	Duty.
51,487	Rs. A. P. 24,836 1 0	31,154	Rs. A. P. 14,990 7 0	82,733	Rs. A. P. 39,704 6 0

I would therefore not extend the exemption from duty to castor oil; as an article of almost purely Indian production, it is an appropriate subject of duty.

Seeds.—I do not agree with the majority of the Committee in recommending Government to give up the duty on these articles—a duty yielding over seven lakhs of rupees. The following figures give no sign of a trade declining under a pressure of an oppressive duty:—

1862-63.	1863-64.	1864-65	1865-66.	1866-67	1867-68.
Rs. 5,48,395	Rs. 5,78,363	Rs. 5,51,975	Rs. 5,03,025	Rs. 5,57,808	Rs. 6,66,760
1868-69.	1869-70.	1870-71.	1871-72.	1872-73.	1873-74.
Rs. 6,65,054	Rs. 7,22,861	Rs. 10,79,984	Rs. 8,48,462	Rs. 4,71,719	Rs. 7,26,010

The province which mainly exports seeds is Bengal, where the duty paid last year was Rs 4,21,351, against Rs. 1,28,892 in Bombay and Rs. 1,18,398 in Madras. The seed chiefly exported from Bengal is linseed, and the subjoined statement of exports of linseed paying duty from Bengal during the last six years gives evidence of a flourishing trade :—

1868-69.		1869-70.		1870-71.	
Cwt.	Duty.	Cwt.	Duty.	Cwt.	Duty.
2,521,883	Rs. 3,78,897	1,803,155	Rs. 2,70,472	3,272,763	Rs. 4,91,234
1871-72.		1872-73.		1873-74.	
Cwt.	Duty.	Cwt.	Duty.	Cwt.	Duty.
2,694,654	Rs. 4,04,198	2,118,907	Rs. 3,18,290	2,247,463	Rs. 3,39,982

With regard to the fluctuations in the trade of exported articles which the statements attached to this note exhibit, I think there is need for great caution before coming to a conclusion that the trade in any article is declining, and still more so before deciding that the proper remedy even for a positive decrease is abolition of the duty. In 1869-70 the exports of rice fell enormously, and occasion was taken of this fact by Chambers of Commerce and others both in India and England to urge upon the Government the total removal of the duty. The Government, however, held firm, and the result is that in 1872-73 rice gave a return of more than double what it yielded in 1869-70, while the predictions of ruin to the Burmah rice trade from the free competition of Saigon and Bangkok—predictions based upon grounds sufficiently strong to induce two members of the Government to advocate immediate repeal—have been singularly falsified by the extraordinary and increasing development of exports from that province during the last five years. The remarkable fluctuations which may be noticed in most exports from India appear to me to indicate that the supply is mainly regulated by causes varying in their effects in different years. If the duty had much to do with it, exports would either remain at one level, representing such part of the demand as could afford the duty, or would gradually decrease. In some cases there might also be a gradual but slow increase. These remarks only apply to those articles of exports in which there is a competition from other countries.

While generally objecting to remission of the export duties on the ground that any substituted taxation would be worse, I am of opinion that possibly some of these duties might advantageously be lowered.

No principle seems to have been followed in their imposition. Thus indigo pays a duty of about $1\frac{1}{2}$ per cent. in value, while oils, which are also a manufacture, pay 3 per cent., and seeds and spices, which have to encounter much severer competition, pay also 3 per cent. I believe that a careful re-adjustment of some of the export duties would be attended with benefit to Government and the trade.

In saying a word for export duties, I am laying myself open to the charge of ignorance and of retrogression. At present everybody except the natives, who are supposed to pay them, condemns these duties. The advocates of abolition quote Political Economy, and gain the easy victory which always falls to those who take their stand on first principles and irrefutable theories.

Export duties are not defensible on their merits, nor indeed is any form of taxation in India, except that on land, which is rent, the excise on spirits, and the import duties on spirits, wine, and tobacco. Arguments it would be difficult to answer can be brought against the salt tax, the stamp tax, and income tax, &c. The practical question is as to the tax which possesses the least objectionable features. If export duties be looked at from this point of view, the peculiar circumstances of the country, for which the conclusion generally adopted makes no allowance, will be taken into consideration.

Surely the fact that the natives of India, a people so impatient of taxation, not only do not object, but are generally ignorant even of their existence, is greatly in favour of this class of duties. In the answers throughout the country to Lord Mayo's enquiries in 1870 about taxation, I find among those written by natives a constant enumeration of the taxes paid by the people, customs duties being altogether ignored. Only one man from Madras remarks upon these, and all he says is that people think it hard to pay as high an export duty on the cheaper pulses as on rice.

As to the incidence of an export duty falling on the producer, this in India is not necessarily an objection. In England the masses of the people are taxed more or less in various ways. In India the difficulty is to get at them at all. If by means of an export duty on rice, on seeds, and on jute the producers of these staple growths do or should contribute slightly (though unknowingly) to the resources of the Government, I fail to see where in the mischief lies, provided always that the duty be not to the extent of discouraging production.

Again in the argument that all export duties invite competition and place the producer and the trade of the exporting country at a disadvantage with countries exporting the same articles

freed from any burden of duty, the distinguishing characteristic of India—cheapness of labour—seems to me to be lost sight of; all that is considered is the fact of duty on one side and no duty on the other. But there are other important points. As a rule, no other country can equal this one in cheapness of production. If owing to this primary advantage an article can be exported from India at a lower cost, including production and duty, than from the competing country for production alone, it is evident that the duty will not act injuriously on the supply or on the trade. Russia and America grow seeds to a large extent; but as regards the competition of India with them, the question is not simply one of duty, but one of cost of production, of duty, and of freight. Possibly the duty in India turns the scale against her, but the balance, if so, could be adjusted by reducing the duty from 3 to 2 per cent. It seems to me quite unnecessary to rush into the extreme of abolition.

These remarks are perhaps beyond the scope of a dissent from certain recommendations made by the Committee of which I am a member. I submit them, however, because it seems to me that between the pressure from England against all import duties (I say all, for if the duties on cotton goods are abolished, scarcely any others can be retained) and the constant appeals in this country to the stock arguments against export duties, the revenue derived from customs is in some danger.

Having for years supervised the administration of every form of taxation in Bengal, I am strongly of opinion that there are practical objections against enhancement of salt duties and re-imposition of income tax, the only available means at present discovered of increasing the revenue, far weightier than against the continuance of any existing custom duties, import or export.

A. MONEY.

I concur in the above minute of dissent.

T. B. LANE.

APPENDICES.

APPENDIX A.

This shows in juxtaposition the Import and Export Tariff as now existing and as proposed by the Committee. It has not been reprinted, because the Committee's valuations, having been adopted in all cases, appear in the new Tariff Act, and their other recommendations will be found in the body of their report. Ed.

APPENDIX B.

RESULT OF NEW VALUATIONS ON IMPORT AND EXPORT AT PRESENT RATES OF DUTY.

Articles.	Increase of duty.	Decrease of duty.	Articles.	Increase of duty.	Decrease of duty.
Imports—	Rs.	Rs.	Imports—Contd.	Rs.	Rs.
Asphalte ...	450	...	Brought forward...	2,38,000	7,42,339
Beads ...	...	7,400	Sugar ...	38,000	...
Coffee ...	2,000	...	Umbrellas ...	...	1,500
Cotton ...	...	6,42,339		2,68,050	7,43,839
Drugs ...	...	1,300	Net result, Decrease		
Dyes ...	...	30,000	4,75,789 ...	...	...
Fruits ...	27,000	...			
Glass ...	...	37,000			
Gums ...	5,250	...	Exports—		
Hides ...	250	...	Cotton goods ...	...	17,000
Ivory ...	30,000	...	Hides ...	50,000	...
Jewellery ...	...	1,500	Lac ...	1,40,000	...
Mats ...	1,400	...	Oils ...	...	7,000
Metals ...	1,10,000	...	Seeds ...	34,000	...
Naval Stores ...	3,500	...	Spices ...	15,000	...
Oils ...	...	5,500		2,39,000	24,000
Perfumery ...	200	...			
Provisions ...	5,000	...	Net result, Increase		
Seeds ...	...	1,300	2,15,000 ...	...	...
Shells ...	5,000	...			
Silk ...	...	16,000	Total of Import and		
Spices ...	40,000	...	Export ...	5,07,000	7,67,000
			Total Result of Valuations, Import and		
Carried forward ...	2,30,000	7,42,339	Export ..	...	2,60,000

COMPARATIVE STATEMENT.

Articles.	Duty at present valuations and rates of duty.		Variation in duty at proposed valuations and present rates of duty.	Variation in duty at proposed valuations and proposed rates of duty.
	Rs.		Rs.	Rs.
Apparel, including Haberdashery, Millinery, &c. ..	4,28,611		Nil	Nil
Arms, Ammunition, and Military Stores ..	56,949		,,	,,
Asphalte ..	2,002		2,452	,,
Beads and False Pearls ..	82,631		75,231	1,00,308 10 p.c.
Cabinet-ware ..	13,142		Nil	Nil
Candles, wax, composition and other kinds ..	35,697	7½ p. c.	,,	,,
Carriages ..	10,463		,,	,,
Clocks, Watches, and other Time-keepers ..	18,986		,,	,,
Coffee ..	8,774		10,774	,,
Corals, real ..	51,491		Nil	68,653 10 p.c.
Corks ..	10,124		,,	Nil
Cotton Thread ..	35,064		49,263	,,
,, Twist ..	8,82,398	3½ p. c.	7,90,892	,,
,, Piece-goods ..	75,05,866	5 ,,	69,40,834	,,
Cotton goods, other kinds ..	1,775		Nil	,,
Drugs and Medicines ..	2,09,675	7½ ,,	2,01,375	,,
Dyeing and Coloring Materials..	1,07,749		77,749	,,

COMPARATIVE STATEMENT.—Contd.

Articles.	Duty at present valuations and rates of duty.	Variation in duty at proposed valuations and present rates of duty.	Variation in duty at proposed valuations and proposed rates of duty.
	Rs.	Rs.	Rs.
Fireworks ..	24,621	Nil	32,828 10 p. c.
Flax, manufactures of— ..	31,990	,,	Nil
Fruits and Vegetables ..	2,78,459	3 05.459	,,
Glass and Glass-ware ..	1,58,740	1.21,740	1,34,439 Bangles at
Gums ..	1,06,238	1,11.488	10 per cent.
Groceries, not otherwise described ..	3,316 7½ p. c.	Nil	Nil
Hides and Skins ..	29,331	29,580	,,
Instruments, Musical ..	20,967	..	...
Ivory and Ivory-ware ..	1,39,567	1,69,567	Nil
Jewellery, including Plate ..	24,564	23,064	,,
Leather, and manufactures of—	63,879 ...	Nil	,,
Liquor—Ale, Beer, &c. ..	84,217 la. p. G.	,,	,,
Spirits ..	18,25,264 Rs. 3-0,,	..	24 33,264 Rs.4 p G
Liqueurs ..	18,000 ,, 1-8,,	..	36,000 ,, 3 ,,
Champagne, Sparkling Wines ..	1,44,672 ,, 1-8,,	..	2,41,120 ,, 2½ ,,
All other sorts ..	3,00,000 ,, 1-0,,	..	4,50,000 ,, 1½ ,,
Claret, Burgundy, Austrian ..	1,88,270 ,, 1-0,,	..	Nil
Matches ..	29,067	Nil	...
Mats, Floor-matting, China of all sorts ...	3,777 7½ p. c.	5,177	Nil
Metals, Copper and Yellow Metals ...	3,87,521	4,54,521 7½ p c.	3,09,414 5 p. c.
,, Iron	2,31,050 1 ,,	2,40,050 1 ,,	2,85,050 2 ,,
,, Lead ..	8,473	8,400	5,600
,, Quicksilver ..	10,728	26,820 7½ ,,	17,880 5 p. c.
,, Spelter ..	33,740	41,340	27,560
,, Steel ..	41.423	Nil	Nil
,, Tin	1.22,610	1,38,610 7½ ,,	..
,, Other sorts ..	91,765	Nil	Nil
Naval Stores ..	47,922	51,422	,,
Oils ..	51,338	45,838	,,
Oil and Floor Cloth ..	2 5.9	Nil	,,
Paints, Colors, and Painters' materials ..	89,175 7½ p. c.	Nil	...
Perfumery ...	25,454	25,654	33,937 10 p. c.
Photographic apparatus and materials ..	4,607	Nil	Nil
Piece-goods, not otherwise described ..	4,054	,,	,,
Porcelain and Earthenware ..	71,732	,,	,,
Provisions and Oilman's Stores	2,40,749	2,45,749	,,
Railway Materials ..	1,26,575	Nil	,,
Ratans and Canes ..	20,771	,,	,,
Seeds ..	13,858	12 558	,,
Shells ..	21,094	26,094	,,
Silk ..	8,18,551 5 & 7½ p cent	8,02,551	9,23,551 7½ p. c.
Soap ..	9,748 7½ ,,	Nil	Nil
Spices ..	1,21,093	1,61,093	...
Stationery other than paper ..	43 232	Nil	Nil
Sugar and Sugarcandy ...	4,14,749	4.52,749	,,
Tea ..	1,33,684	Nil	,,
Tobacco ...	77,276 10 ,,	,,	,,
Toys and requisites for all Games ..	37,584	,,	50,112 10 p. c.
Umbrellas ..	68 127	66,627	Nil
Woollen Piece-goods ..	3,32,099	Nil	,,
Braids and other sorts ..	19,891	,,	,,

N.B —Nil indicates that the figure in the preceding column holds good.

Note.—These calculations are based on the year 1873-74 only. A further comparative statement has not been printed. Ed.

APPENDIX C.

Showing the financial result of proposed duties on present valuations, and of duties on new articles brought into the Tariff, as also proposed remissions of duty both on the Import and Export side.

I. *Estimated amount of duties proposed for remission.*

	Previous rates and revised valuations.			Revised rates and valuations.		Loss by remission.
IMPORTS.						
Copper		Rs. 4,54,521			Rs. 3,09,414	Rs. 1,45,107
Lead		8 400			5,600	2 800
Quicksilver		26,820			17,880	8,940
Spelter		41,340			27,560	13.780
						1,70,627
	Five years' average, 1868-69 to 1872-73.	1872 73.	1873-74.	Preliminary estimate.	Corrections for new valuations.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Cotton goods	1,21,277	1,31,658	1,57,971	1,60 000	—17,000	1,43,000
EXPORTS.						
Seeds	7,57 616	4,71,719	7,26,010	7 50,000	+34,000	7,84,000
Grain, other sorts	1,90,846	2,55,912	1,37,514	2,00,000	...	2,00 000
Oils	1,04 965	1,07,090	85,567	1,05,000	— 7,000	98,000
Spices	67,197	51 391	71,036	65,000	+15,000	80,000
				12,80 000	+25,000	13,05 000
						14,75,627

II. *Estimated amount of increased duties and new duties.*

		Rate of increase.	Rs.	Rs.
INCREASED DUTIES. *Import.*	Beads	2½ per cent.	25,077	
	Corals		17,163	
	Fireworks		8 207	
	Glass Bangles		12,699	
	Iron	1 per cent.	45,000	
	Pertumery	2½ per cent.	8 484	
	Silk		1,21,000	
	Toys		12,528	
	Spirits	Re. 1 0 0	6,08,000	
	Liqueurs	„ 1 8 0	18,000	
	Wines—Champagne and Sparkling.	„ 1 0 0	96,000	
	Wines—Other than Claret and Burgundy	„ 0 8 0	1,50,000	
				11,22,158
NEW DUTIES. *Import.*	Machinery	2½ per cent.	2,60,000	
	Cements	7½ per cent.	20,000	
	Instruments		10,000	
	Tea lead		15 000	
	Wall paper		5,000	
	Other items		25,000	3,35,000
Total of increased and new duties				14.57,158

Remission of duty Rs. 14,75,000. Increase of duty Rs. 14,57,000. Loss by duties Rs. 18,000.

NOTE.—A third explanatory statement and a corresponding one in Appendix D have not been reprinted. Ed.

APPENDIX D.

Showing the complete result of all changes recommended both on the Import and Export side according to Appendix B and Statements I. and II. Appendix C.

Loss by valuations	...	...	... Rs. 2,60,000
Loss by duties	...	...	... ,, 18,000
Total Loss of Revenue			... Rs. 2,78.000

Dated 31st May, 1875.

From H. W. I. WOOD, Esq., Secretary to the Bengal Chamber of Commerce, to R. B. CHAPMAN, Esq., Secretary to the Government of India, Financial Department.

By the Resolution of the Government of India, Financial Department, No. 6703 of the 25th November 1874, the formation of a Committee for the revision of the customs tariff valuations was sanctioned.

Under the orders then issued, the Committee commenced their duties early in January following, and they appear to have submitted their report without delay, as it was acknowledged in the Budget statement published on the 13th March last, the customs estimates having been framed after reference to it.

As considerable time has passed since the Government have had the report under consideration, and as the referred publication of the orders of Government regarding the tariff is causing great inconvenience to many of the Commercial community, the Committee of the Chamber of Commerce direct me to request you will be so good as to express to His Excellency the Governor General in Council their hope that an early decision may be arrived at, and that his Lordship may be pleased to place at their disposal a copy of the Tariff Committee's Report.

No. 1459, *dated 11th June*, 1875.

From R. B. CHAPMAN, Esq., Secretary to the Government of India, Financial Department, to the SECRETARY to the COMMITTEE of the BENGAL CHAMBER OF COMMERCE.

In reply to your letter dated 31st May 1875, I am directed to state, for the information of the Committee of the Chamber of Commerce, that action on the report of the Committee lately appointed to revise the Customs Tariff valuations and to report upon other matters relating to the customs duties generally, has been unavoidably delayed, in consequence of certain further enquiries that were found necessary. The report will, however, be taken into consideration as soon as possible.

I am also to intimate that His Excellency the Governor General in Council regrets that he is not in a position to furnish the Chamber with a copy of the Tariff Committee's Report.

Dated 21st June, 1875.

From H. W. I. WOOD, Esq., Secretary to the Bengal Chamber of Commerce, to R. B. CHAPMAN, Esq., Secretary to the Government of India, Financial Department.

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 1459 of the 11th instant.

As considerable time, upwards of three months, had passed since the Tariff Committee submitted their report to Government, and as the customs estimates in the Budget for the current year, published on 13th March, were declared to have been framed after reference to the Committee's recommendations, the Chamber's application of 31st ultimo was made in the confident expectation that the orders of Government would be speedily announced.

It is therefore with much regret the Committee now learn that no decision can, at present, be arrived at, pending further enquiries, and they would urge upon Government the advisability of an early decision upon the tariff question, which is of the greatest importance to the trade of the country.

Under the existing tariff, merchants are paying duties on valuations largely exceeding real values, thereby incurring actual loss; and the business of those who are bonding their goods in anticipation of a more equitable tariff, is obstructed by the uncertainty of the changes that may be introduced.

Under these circumstances, the Committee trust His Excellency the Governor General in Council will pardon the renewal of their application for the earliest publication of the revised tariff.

No. 2636, dated 12th August, 1875.

RESOLUTION,—By the Government of India, Financial Department.

READ—

Proceedings in the Separate Revenue Department, Nos. 13 to 51 of January 1875.

Read the following papers :—

From Secretary to the Tariff Committee, No. 197, dated 4th January 1875.

To Secretary to the Tariff Committee No. 98, dated 6th January 1875.

Report of the Committee, dated 27th February 1875.

Letters from the Committee of the Bengal Chamber of Commerce, dated 31st May and 21st June 1875.

The Indian Customs Tariff was carefully revised by a Committee at the beginning of 1869, when the tariff valuations of cotton yarn and piece-goods and other articles were largely reduced.

2. In April 1873, the Board of Revenue, Lower Provinces

of Bengal, forwarded to the Government of Bengal a memorandum by the Collector of Customs, Calcutta, suggesting a number of alterations in the import tariff annexed to Act XIII. of 1871, and some additions thereto. The Board supported, generally, the recommendations made by the Collector, and made some further proposals.

Upon receiving these papers from the Government of Bengal, the Governor General in Council invited the opinions upon them of the Governments of Madras and Bombay.

3. In August 1873, the Committee of the Bengal Chamber of Commerce submitted for the consideration of His Excellency the Governor General in Council, the expediency of revising the rates on which duties were assessed under the Indian Tariff Act, 1871, as well as the rates of duty to which merchandise was, at that time, subject, and intimated that the Chambers of Commerce of Bombay and Madras had been addressed on the matter, and that it was believed that these bodies would communicate with the Government of India and endeavour to obtain an object in which they were interested in common with the Bengal Chamber.

The Governments of Madras, Bombay, Bengal and British Burmah were invited to report upon these proposals.

4. On the 31st January 1874, the Manchester Chamber of Commerce addressed a Memorial to Her Majesty's Principal Secretary of State for India complaining—

that the duties of 3½ per cent. on yarns and 5 per cent. on British cotton manufactures imported into India were assessed on tariff rates fixed many years ago, when values ruled much higher than at present; so that the duties thus levied actually amounted to about 4 per cent. on the actual price of yarn, in India, and nearly 6 per cent. on cloths;

that the tax was found to be absolutely prohibitory to the trade in yarn and cloth of the coarse and low-priced sorts;

that the Chamber were informed that it was proposed to import Egyptian and American raw cotton into India (no duty being charged thereon) to manufacture the finer yarns and cloth, which would thus compete with goods received from England on which duty was levied;

that a protected trade in cotton manufacture was, thus, springing up in British India, to the disadvantage both of India and Great Britain; and

that the duties increased the cost to the native population,

or at least to the poorest of the people, of their articles of clothing, and thereby interfered with their health, comfort, and general well-being.

The Manchester Chamber of Commerce, therefore, prayed that early consideration might be given to the subject of the duties levied on yarn and cotton piece-goods on import into India, with a view to their abolition.

5. On receipt from the Secretary of State of a copy of this Memorial, the Government of India pointed out that the tariff had been carefully revised at the beginning of 1869, when the tariff valuations of cotton yarns and cloths were largely reduced; but held out an expectation that a Committee of revision would again be convened in the following cold season.

6. Thereupon, the Manchester Chamber of Commerce, while quoting facts to show that the tariff valuation required immediate revision, reminded the Secretary of State that, in their Memorial, they had only incidentally referred to *valuations*, and that their main object and prayer was the total and immediate repeal of the duties themselves, for the reasons given in their Memorial; and added:—

"The statements as to the baneful operation of these duties on commerce, and on the best interests of Her Majesty's subjects, both in India and in England, are abundantly confirmed by the latest advices from Bombay, which show that, under the protection extended by the levying of duties on imports, to the spinning and weaving of cotton yarn and goods in India, a large number of new mills are now being projected, and the revenue from import duties will be consequently diminished. The impost is therefore defeating its own object, as well as inflicting an injustice on the consumer and importer."

7. In September 1874, the Committee of the Bengal Chamber of Commerce again addressed the Government of India with a view to the revision of the tariff valuations, and furnished figures to show that the existing valuations were too high.

8. In November 1874, the Government of India constitued the following Committee for the revision of the tariff valuations:—

President:

Mr. A Money, C.B., Member of the Board of Revenue, Calcutta.

Members:

The Hon'ble J. R. Bullen Smith, Member of the Legislative Council of India.

The Hon'ble R. A. Dalyell, Member of the Legislative Council of India.
Mr. T. C. Hope, Acting Commissioner of Customs and Opium, Bombay.
Mr. T. B. Lane, Collector of Customs, Calcutta.
Mr. J. C. Murray, Chairman of the Bengal Chamber of Commerce.

9. Mr. Murray was nominated by the Bengal Chamber of Commerce. The Bombay Chamber of Commerce were invited to depute a Member, but declined to do so.

10. The whole of the papers hereinbefore described, together with the various reports and opinions received from the several local Governments and Chambers of Commerce, were placed before the Committee; and they were instructed not only to revise the tariff valuations, but to give their opinion "as to the propriety of removing, from the tariff, any articles the retention of which may be thought unimportant in the interest of the public revenue, and the removal of which from the list of dutiable articles, would give freedom to trade; or any of the existing export duties which, in the opinion of the Committee, were, from competition, or otherwise, seriously prejudicial to the trade in the articles subject to them."

The opinion of the Committee was especially invited upon the representations which had been received upon the injurious effect of the import duties on cotton goods and twist. "The Government of India," they were informed, "does not impose or maintain customs duties for the purpose of affording protection to any branch or class of industry, but for revenue pruposes only."

Finally, the Committee were told that the Government of India would be glad to receive suggestions from them, generally, upon any matters in which they might consider that the customs tariff required amendment.

11. The Report of the Committee is dated the 27th of February last. They recommended considerable changes in the tariff valuations, the only difference of opinion among the members, in this respect, being as to the valuation of certain classes of cotton piece-goods, in regard to which the members were equally divided. The President gave his casting-vote in favour of a scale which, calculated on the importations in 1873-74, would reduce the duty on cotton goods by Rs. 6,42,000. The three remaining members, among whom were the two members connected with trade, proposed a lower scale, which would increase the relief to Rs. 8,00,000.

12. In regard to the larger question of alterations in the rates of duty, the Committee made several important proposals. They noticed the falling off of the imports of metals, which they attributed, partly to the rise in the price of metals of late years, and partly to the somewhat depressed condition of the agricultural classes in India, and recommended that, as a higher value would be put upon metals in the new tariff, the rate of duty upon copper, lead, spelter, and quicksilver, in their raw state, should be reduced from 7½ to 5 per cent.

13. With regard to the representations by the Manchester Chamber of Commerce as to the effect of the import duty upon yarn and cotton cloths, they observed :—

"In so far as the complaints alleged that the tariff valuations "were excessive, they have been found to be just; and the Com- "mittee have already recommended reductions involving relief to "the extent of Rs. 6,42,000. But it is also urged that the duty is "'absolutely prohibitory to the trade in yarn and cloths of the "coarse and low priced sorts which the Indian mills make largely, "under the protection of the duty; and it is suggested that, ere "long, the finer yarn and cloth will, with the help of importations "from Egypt and America, be manufactured also. It must, of "course, be admitted that the Indian mills have injured the "English ones, to the extent to which their manufactures have "displaced the manufactures of Manchester, less their exports "to other countries, and the amount of the injury they have "inflicted on the hand-looms of India in localities which Man- "chester goods have not been able to reach. But the duty, though "contributing to this result, cannot be said to be the sole cause of "it; since India, with many disadvantages, possesses certain "natural capabilities for producing goods of this low quality, "which will probably secure the trade in them to her, even if the "duty be removed. On the other hand, if the duty were as pro- "hibitory as it is represented to be, the market would not be, "habitually, over stocked, as it has been for years.

"The Committee think it more to the purpose to consider what "proportion the particular goods which have to meet Indian "competition bear to the whole cotton import duty, and how far "this competition justifies the demand for abolition of the entire "duty which has been brought forward. The Indian mills can "make mule twist up to 32s, and water twist up to 20s, as also "longcloths, T cloths, drills, domestics, jeans and sheeting. The "prospect of the finer kinds of yarn and "cloths being made, with profit or success, "is notoriously so remote, and the enter- "prise so doubtful, that it is quite un- "necessary to take it into present calcula- "tion. The duty levied in Bombay, in "1873-74, upon the similiar Manchester goods which have to stand

	Rs.
On twist	16 412
On longcloths, &c.,	1,87,926
TOTAL...	2,04,338

"the Indian competition was about 2 lakhs of rupees. If the total "duty on such goods paid in all India be taken, though the mills "beyond the Bombay Presidency are, as yet, comparatively unim- "portant, it would barely exceed 4 lakhs. The demand that, "because one class of goods, represented by 4 lakhs of duty in all "India, has, in one part of India, to meet a local competition, the "Government shall remit the remaining 77 lakhs which competi- "tion cannot affect, appears to the Committee quite unreasonable, "and it is unnecessary even to enquire whether the finances could "afford the remission.

"The scheme of removing the duty on coarse goods only, though "reasonable in theory, is difficult in practice, as explained by the "Chairman of the Bombay Chamber of Commerce in his published "speech of January 5th, and has, he admits, been, in England, "pronounced unworkable.

"The alternative of an excise duty on the Indian mill products "remains; but part of it would have to be refunded on exportation, "and the Committee see no more need for establishing a cumber- "some and expensive excise machinery "now, than there was in 1861 and 1862, "when Mr. Laing decided against it.*

* Financial Statements, pp. 67 and 85.

"There are numerous heads in the import tariff which embrace "some articles which are also, to a certain extent, produced in "India; and the Committee consider any alteration in favour of "cotton goods to be uncalled for."

14. The Committee recommended that the import duty upon certain articles of luxury should be raised from 7½ to 10 per cent., that on silk piece-goods from 5 to 7½ per cent., and that upon iron from 1 to 2 per cent.; and that a duty of 2½ per cent. should be levied on machinery.

15. They proposed that the duty on spirit should be raised from Rs. 3 to 4 a gallon, that on liqueurs from Re. 1-8 to Rs. 3 a gallon, that on champagne and sparkling wines from Re. 1-8 to Rs. 2-8 a gallon, and that on all other wines, except Claret, Burgundy, Austrian and Greek, from Re. 1 to Re. 1-8 per gallon.

16. They also proposed to insert, in their appropriate places, in the tariff, certain minor articles which appear to have been accidentally omitted.

17. The Committee expressed an opinion against removing from the list the articles from which but a small amount of duty is derived, for the following reasons:—

"The Committee would have been glad to recommend the ex- "clusion of all articles yielding small amounts. But, precluded "as they are, in the peculiar circumstances of India, from pro-

"posing an increase of duty on any article which could yield a "large return, they felt unwilling to recommend the relinquish- "ment of the sum which as a total is of importance, although the "items composing it are of insignificant value. It must also be "noted that, in the present tariff, there are only seven general "headings which yield sums less than Rs. 10,000, and that there "exist objections against removing from the tariff only parts of a "general heading."

18. The Committee, rightly considering the export duties to be most objectionable portion of the Indian tariff, enquired carefully into these duties and recommended the abolition of the duties on—

Cotton goods;
Grain and pulse, except rice and paddy;
Seeds;
Oils, and
Spices.

19. The financial result of the proposals of the Committee, calculated upon the actual trade of 1873-74, was as follows:—

1st.—The alteration of the valuations was estimated to raise the receipts from customs duties by Rs. 5,07,000 and to lower them by Rs. 7,67,000, showing a net loss of Rs. 2,60,000. This loss would be increased by Rs. 1,60,000, or to Rs. 4,20,000, if the proposal for the lower valuation of cotton goods were adopted.

2nd.—The loss from the proposed remission of duties was estimated as follows:—

		Rs.	Rs.
IMPORTS.....	Metals	1,70,627	1,70,627
EXPORTS	Cotton goods... ...	1,43,000	
	Seeds	7,84,000	
	Grain and pulse other than rice and paddy.	2,00,000	
	Oils	98,000	
	Spices...	80,000	
			13,05,000
TOTAL.....			14,75,627

3rd.—The gain by the increase of duties proposed was estimated as follows :—

	Rs.
Duty on articles of luxury raised from 7½ to 10 per cent...	84,158
Duty on silk goods from 5 to 7½ per cent. ...	1,21,000
Ditto iron from 1 to 2 per cent.	45,000
Ditto machinery...	2,60,000
Ditto spirit from Rs. 3 to Rs. 4 a gallon ... Ditto liqueurs from Re. 1-8 to Rs. 3 a gallon.	6,26,000
Ditto wines.	2,46,000
Small items brought into the tariff	75,000
TOTAL.....	14,57,158

leaving a net loss of Rs. 18,469 from alterations of duties.

20. Assuming the lower valuation of cotton goods to be accepted, the revision of the valuations and alteration of the duties together showed a net loss of Rs. 4,38 469. Against this was to be set the probability of an increase in the imports of cotton yarn and piece-goods, which, by the reduction of the valuations, would be relieved of duty to the extent of about Rs. 8,00,000 a year; and perhaps also some increase in metals.

21. Two dissents were appended to the Committee's report. Mr. Hope objected to the proposals to raise the import duty upon certain articles of luxury from 7½ to 10 per cent. and to double the 1 per cent. duty upon iron, and impose a duty upon machinery, and advocated a still larger increase of the duties on wines than the Committee. The President and Mr. Lane were opposed to the remission of the export duties in general, and especially of the export duties on grain and pulse, castor oil and seeds.

22. The Governor General in Council, having considered the Report of the Committee, arrived at the following conclusions upon the various questions arising in connection with it :—

TARIFF VALUATIONS.

23. The tariff valuations recommended by the Committee have been accepted, with the exception of the valuation of shirtings and longcloths, T cloths, madapollams, jeans, domestics, sheetings and drills. Three members of the Committee advocated a valuation of these goods lower by half an anna a pound than that recommended in the Committee's Reports. The Governor General in Council preferred to adopt the lower valuation of these goods.

EXPORT DUTIES.

24. The Governor General in Council carefully considered the dissent, recorded by Messrs. Money and Lane, from the recommendations of the Committee for the remission of many of these duties. But he concurred with the majority of the Committee in the opinion that it is of primary importance as far as possible to relieve the export trade of India from taxation, and to stimulate the growth of Indian produce, whether raw or manufactured, for exchange with other countries. In the judgment of the Governor General in Council, no part of the Indian tariff more urgently needed reform than the schedule of export duties. It was therefore with great satisfaction that His Excellency in Council found himself able to assent to all the recommendations made by the Committee for the remission of export duties. Moreover, the Governor General in Council was pleased to remit the export duties on hides and skins. The Committee do not seem to have observed that the existing export duty was confined to *tanned* hides and skins, and that the export of raw and salted hides and skins was already free. It seemed to the Governor General in Council inexpedient thus to tax the export of the manufactured article only; and the duty, which yielded, in 1874-75, only Rs 1,51,100, has been abandoned altogether.

25. Thus the export tariff of British India now contains only three articles—Indigo, Rice, and Lac. With these exceptions, the entire export trade is freed from all fiscal burdens.

IMPORT DUTIES.

26. The Governor General in Council has not thought it necessary to increase the duty on certain articles of luxury as proposed by the Committee. As will presently be explained, he had resolved to reduce the general rate of import duty from 7½ to 5 per cent.; and it would have been inconsistent with this resolution to raise the duty on these articles. For like reasons, His Excellency in Council was unwilling to increase the duty on silk piece-goods; and, as the reasons for treating iron and machinery with special favour appeared to him as strong now as they have ever been, the recommendations of the Committee for imposing a duty on machinery and increasing that on iron were not adopted.

27. The inclusion in the import tariff of certain petty

articles for the exemption of which there was no particular reason, has been approved. On the other hand, *coffee* has been exempted from duty as yielding a very small net revenue and as being largely produced in India, and *quinine* as an article the import of which deserves special encouragement. Further, His Excellency in Council deemed it expedient to fix the duty on arms, ammunition, and military stores at 10 per cent.; and, in order to place those who are engaged in curing fish, with taxed salt on an equality with the curers of fish with untaxed or less highly taxed salt, it was considered necessary to impose a duty of 12 annas a cwt. on salted fish imported into the Bombay Presidency, except Sindh: it was not, for the present, thought necessary to impose this duty in other parts of India; but power has been taken, under the Indian Tariff Act 1875, to extend it as may be found expedient.

28. The Governor General in Council accepted the conclusion of the Committee in respect to the demand made by the Manchester Chamber of Commerce for "the total and immediate repeal of the import duties on yarn and piece-goods." The revenue obtained in 1874-75 from these duties was Rs. 92,15,383; and, even at the valuations as now revised, it would have been more than Rs. 83,00,000. It would be impossible for the Government of India to give up such a sum without seeking some compensation from other sources. These duties are levied at a very small cost and at a minimum of inconvenience to the people, and they cause no discontent. Had the Government of India found it necessary, for the reasons given on behalf of the Manchester Chamber of Commerce, or for any other cause, to abandon these duties, they would have been placed in a position of much anxiety. If necessary, they must probably have resorted to the alternative of an excise on the indigenous mills, rather than give up a large revenue, which cannot be spared. But it is plainly shown by the Committee, that, in regard to the great bulk of the trade in these goods, the importers are, as yet, subject to little or no new competition by the manufactures in India. The Committee have reported, after careful inquiry, that the import trade which is exposed to competition from Indian manufactures, yields a duty of only Rs. 4,00,000. It should be

remembered that the handlooms of India have, all along, competed with importers in respect to this class of goods: the only new feature in recent times is the construction of cotton mills in increasing numbers; some have long existed, and have not, it is believed, till lately been very successful.

It is difficult to obtain trustworthy statistics of the consumption of cotton goods in India. The following were given at a Meeting of Cotton Spinners held at Blackburn on the 21st of October last:—

210,000,000 lbs. imported from England.
210,000,000 lbs. supplied from native hand manufacture.
40,000,000 lbs. supplied from Indian manufactories.

Whether these figures be correct or not, it cannot be doubted that the imports of cotton manufactures are mainly composed of the higher qualities of goods, and that coarser fabrics have always been largely manufactured in India.

29. The figures given in the margin show the quantities of cotton yarn imported, each year, since 1859-60, and the value of cotton yarn and piece-goods together for the same period. The figures of value cannot be trusted for purposes of accurate comparison; the valuations were partially raised in November 1860;* in 1864† the remainder were raised; in 1867, and again in 1869, they were reduced. It will be remembered that, in 1862, the duty on cotton twist and piece-goods was reduced to 3½ and 5 per cent. respectively. The imports of cotton goods were affected by the high prices caused by the interruption in the supply of raw cotton to England from the United States owing to the civil war. These prices lasted till 1865.

Years.	Quantities of cotton twist and yarn.	Value of cotton twist and yarn and piece-goods.
	lbs.	£
1859-60	31,477,257	11 698 928
1860-61	20,8[illegible]0 50[illegible]	11,058,118
1861-62	not given	10 245,400
1862-63	19 493,[illegible]79	9 6[illegible]0,[illegible]30
1863-64	19,608,137	11 915 663
1864-65	17 901,925	13,227 325
1865-66	16 [illegible]92, 73	13 81[illegible] 3[illegible]8
1866-67 (11 months) ...	30,[illegible]55,[illegible]40	15 096,806
1867-68	26,719,250	17 698 267
1868-69	29 042 052	18 852,485
1869-70	32,049,038	16,271,216
1870-71	40,387 059	19 044 869
1871-72	28,853,[illegible]90	17 483 834
1872-73	32 192,843	17,229,753
1873-74	30,947 634	17,781 341
1874-75	37,097,260	19 387,270

* Mr. Wilson Financial Statements, p. 21.
† Sir C. Trevelyan, *Ibid.*, p. 150.

30. In the three years from 1859-60 to 1861-62 the average annual value of the imports of cotton twist and piece goods was, in round numbers, £11,000,000. In the four years from 1862-63 to 1865-66 the average annual value was £12,150,000. The financial year 1866-67 is useless for purposes of comparison, as it only embraces 11 months. In the four years from 1867-68 to 1870-71, the average annual value was £17,966,000.

31. In the four years from 1871-72 to 1874-75, the average annual value was about the same—that is to say, £17,970,000: but in 1869, the tariff valuations were lowered by 15 per cent.; and, if allowance be made for this, there is an increase of about a quarter of a million sterling over the average for the preceding period. In the year 1874-75, the value was £19,387,270, which is the highest amount for any year of the period under review.

32. The Governor General in Council is aware that it is stated that the trade of last year was not prosperous; but, looking at these figures together, and making every necessary allowance, he can see no indication that the demand in India for English cotton manufactures has diminished, or is likely to diminish. On the contrary, it is more probable that, as the demand for English cotton manufactures has, hitherto, steadily progressed, notwithstanding the competition which has always existed in the lower classes of goods, from native hand-loom weavers, and even, for several years past, from mills, so it will continue to progress, although the lower classes of goods may, in future, be produced in the new Indian manufactories more cheaply and more suitable for the Indian consumer, than they have been by hand-looms, or in the older mills.

33. An alternative proposal was made, not by the Manchester Chamber of Commerce, but by that of Bombay, that the Government should exempt from duty the coarse sorts of yarn and cloth, which alone are subject to indigenous competition. The Government of India would have been willing to adopt this proposal, and to sacrifice revenue in giving effect thereto, if, on investigation, it had been found to be practicable. But it is open to two serious objections: 1*st*, it would be difficult, if not impossible, to draw any clear and stable line to describe the goods to be thus exempted;

and *2ndly*, if any such line were fixed, it would be hardly possible to protect it from evasions; and moreover, a very onerous responsibility would be imposed, upon customs officers. To fix any such line, if it were possible, would be to stimulate the indigenous mills to devote their attention to the manufacture of goods such as would compete with those just above the line. It is stated to be the opinion of some leading members of the Manchester Chamber of Commerce that this alternative scheme is impracticable; and it certainly so appears to the Government of India with the information now before them.

34. Duties upon imports have not been imposed in India with the object of protecting Indian manufactures or produce, but solely for purposes of revenue. When, after the Mutiny, the Government were compelled to raise additional taxes, the general rate of the import duties was increased; but the earliest opportunity was taken to reduce this rate, and among the first articles relieved were cotton twist and piece-goods, the duty on which articles was lowered in 1862 to 3½ and 5 per cent. respectively, while the general rate remained at 10 per cent.

The following observations then made by Mr. Laing expressed the views entertained by the Government:—

"Free-trade does not mean that there shall be no taxes, but that taxes shall be levied solely with a view to revenue, and not partly for revenue and partly for protection.

"That every customs duty on an imported article should have a corresponding excise duty on similar articles produced at Home has, therefore, become an axiom; and it only admits of one exception—where the amount of import duty is so moderate that it does not seriously affect trade, while it makes it obviously inexpedient to establish an excise machinery for the sake of levying a trifling duty.

"This is the case with regard to corn in England, where a duty of 1*s.* a quarter equal to 5 per cent. on the cheaper sorts of foreign grain is retained; and it is precisely our case with regard to piece-goods.

"We cannot dispense with customs duties on our imports generally; and, while this is the case, no reasonable man can object to our retaining an old accustomed duty of 5 per cent. on manufactured goods."

The Government of India are still of opinion that a duty

of 5 per cent. *ad valorem*, upon cotton goods, cannot practically operate as a protection to native manufacture.

The Goverment fully admit the advantage that would be derived to the people from a reduction in the cost of their clothing; but, as has been already said, financial considerations will not admit of so large a sacrifice as that of the duty on cotton goods. There are other items of customs, moreover, particularly the export duty upon sugar by land, which, in regard to the general interests of the people of India, demand prior consideration.

35. While, thus, unable to accede to the demand made by the Manchester Chamber of Commerce for the remission of the import duties on cotton yarn and goods, the Governor General in Council has gladly assented to the revised valuations of these goods proposed by the minority of the Committee, which are calculated to afford relief to the trade by a reduction of duty to the extent of Rs. 8,00,000, if reckoned upon the trade of 1873-74, and Rs. 8,80,000, if reckoned upon the trade of 1874-75. The Governor General in Council hopes that this relief will give some help to a commerce which is of vast importance to both India and Great Britain.

36. The value of American and Egyptian raw cotton imported in 1873-74 was less than Rs. 70,000; and the Governor General in Council has not ascertained that, hitherto, such cotton has been imported to any extent to be manufactured into cloth in Indian mills. But, in order to place the Indian manufacturer upon the same footing as the importer, it would be necessary to levy a duty upon such raw cotton, if it should be imported: as a precautionary measure, therefore, an import duty of 5 per cent. has been imposed by the Tariff Act, 1875, on raw cotton not the produce of continental Asia or Ceylon. It is not necessary thus to tax foreign cotton of the same quality as that grown in India.

37. The duty on twist is left, for the present, at 3½ per cent. But, if it be found that imported twist is largely manufactured into cloth in the Indian mills, it may become necessary, hereafter, to increase this rate.

38. The value of metals, machinery, and railway materials imported yearly from 1859-60 is shown in the margin. A comparison of the imports for the ten years from 1863-64 to 1873-74* gives the following result :—

Years.	Machinery.	Railway materials.	Metals.
	£	£	£
1859-60 ...	871,531	1,706,002	2,241,255
1860-61 ...	870,251	1,903,344	2,503,046
1861-62 ...	553 883	1,509,580	2,551,829
1862-63 ...	506,518	1,165,852	3,003,407
1863-64 ...	585,516	1,267,240	3,368,652
1864-65 ...	554,150	685,632	3,755 932
1865-66 ...	586,182	1,435,929	3,043,284
1866-67 ... (11 months)	604,740	2,091,417	2,587,427
1867-68 ...	1,077,529	2,464,966	3 939.156
1868 69 ...	794,569	1,591,813	3.839.651
1869-70 ...	556,097	2,217,334	3,570.128
1870 71 ...	447 570	1,466,068	2,713.591
1871-72 ...	405,835	516,996	2,390.775
1872-73 ...	517,316	441,260	1,802,621
1873-74 ...	1,002,347	889.639	1,738,507
1874 75 ...	1,185,943	763,057	2,607,075

Average of—	Metals.	Machinery.	Railway materials, &c.
	£	£	£
Five years 1863-64 to 1868-69	3,589,325	719,588	1,489,116
Five years 1869-70 to 1873-74	2,443,124	585,833	906,259
Year 1874-75	2,607,075	1,185,943	753,057

39. There has been a decrease in the imports under each head during the ten years. The import of railway materials depends upon the operations of the State, either directly or through guaranteed companies ; and the decrease has been caused by the gradual completion of the main lines of railway. Machinery shows a large recovery in the years 1873-74 and 1874-75 ; in the latter year, the imports rose to a higher value than in any previous year. The chief decrease has been in raw metals ; and it has continued during the last eight years of the series, until last year, when there was a satisfactory improvement. The values given are the tariff valuations, and they do not accurately represent the real values, for the price of metals has of late risen considerably ; but the figures are good for the purpose of comparison. But for the encouraging reaction in 1874-75, it might have been necessary for the Government to grant a larger measure of relief to the trade in metals than has been actually given. As it is, the Governor General in Council hopes that the reduction of the general rate of duty from 7½ to 5 per cent., by which metals will benefit largely, will give adequate relief to this branch of trade.

40. The Governor General in Council has adopted the recommendations made by the Committee for the increase of

* The year 1866-67 has been omitted because the returns for this year include only 11 months.

the duties on spirit and wines, with some slight modifications, the chief being that the duty on liqueurs has, in accordance with a recommendation made in 1873 by the Collector of Customs, Calcutta, been fixed at the rate adopted for spirit, viz., 4 rupees a gallon.

41. It will be generally admitted that spirit and wines are legitimate subjects of taxation; it is only necessary to take care that the duties are not pitched so high as to induce illicit practices, and that the principle is kept in view of preserving a relation between the customs duty on spirit imported from abroad, and the excise duty on spirit distilled in India. This principle has been clearly affirmed in Section 11 of the Indian Tariff Act, 1875, and the Local Governments will be immediately consulted as to how far practical effect can be given to it. The circumstances of India and the present stage of development of the administration of the Excise Department are not such that the internal duties can be raised indiscriminately, or without careful consideration of local circumstances.

REDUCTION OF THE GENERAL RATE OF IMPORT DUTY TO 5 PER CENT.

42. Before 1845 the general rates of import duty were as follows :—

	Imported on British bottoms.	Imported on foreign bottoms.
Raw produce	3½ per cent.	7 per cent.
Manufactured articles.	3½ and 5 per cent.	7 and 10 per cent.

43. By Act IX. of 1845, a general rate of 5 per cent. was substituted for all manufactured articles not enumerated with special rates of duty; and by Act VI. of 1848, goods imported on foreign bottoms were admitted on the same terms as those imported on British bottoms.

44. In 1859, after the Mutiny, the rate was raised to 10 per cent. and, during one year, in some instances, to 20 per cent.

45. In 1864, the rate was reduced to 7½ per cent. The articles then, and now, subject to the general rate, are numerous; but their value does not exceed one-fifth of the value of the whole import trade, the chief articles of import having special rates of their own, and not coming under the general rate.

46. The Committee, naturally, did not consider it within their province to propose any revision of the general rate

of import duty. But Mr. Hope, in his dissent, incidentally expressed a hope that it might soon be found possible to reduce the general rate to 5 per cent., and added that he believed that "fiscally the result of such a reduction would be very satisfactory."

47. The Governor General in Council has had much pleasure in announcing the determination of the Government of India to make this reduction, and again to fix at 5 per cent. the general rate of import duty for all articles not enumerated in the Tariff with special rates of duty. His Excellency in Council was pleased, at the same time, to remove from the special, to the general category, tobacco, a high import duty on which must operate as a protection to the native produce and manufacture.

48. The articles specially taxed are now as follows:—

	Rates.
Arms, ammunition, and military stores ...	10 per cent.
Cotton twist	3½ "
Liquors	Various rates.
Iron, enumerated sorts, and railway materials	1 per cent.
Opium	24 rupees a seer.
Salt and salted fish	Various rates.

The import duty on all other articles liable to such duty is now five per cent.

49. It is important to form some opinion how soon the ordinary growth of trade, together with the stimulus given by the relief now granted, may be expected to recoup to the revenue the sacrifice which has, thus, been made. The facts of the last reduction were as follows:—The average receipts, from the 7½ per cent. duty from 1861-62 to 1863-64 inclusive were about 40 lakhs of rupees a year: the duties were reduced in March 1864; the average yearly receipts from 1864-65 to 1866-67 inclusive were about 33 lakhs. The average yearly receipts, from 1867-68 to 1869-70, were about 40 lakhs, and, from 1870-71 to 1872-73, Rs. 40,40,000. Thus, it appears that, in three years, the increased trade recouped the revenue for the loss by the reduction in the duties made in 1864.

50. In estimating the effect of the further reduction now made, it must be borne in mind that the reduction from 10 to 7½ per cent. was one-fourth, whereas the reduction from 7½ to 5 is one-third, of the duty. The value of the trade on which the general rate of 7½ per cent. duty was

levied in 1874-75, was Rs. 6,88,00,000, yielding a revenue of Rs. 51,60,000. To yield the same revenue with a 5 per cent. rate of duty the value of the trade must increase to Rs. 10,32,00,000, or by Rs. 3,44,00,000. The reduction from 10 to 7½ per cent. was recouped in three years, showing an increase of trade of 1⅓ crore in three years, or at the rate of about Rs. 46,00,000 per annum. At this rate of increase, it would take more than seven years for the revenue from the duty now reduced to rise again to its recent amount. But, since 1864, the development of the railway system and of the trade with England has been very great, and it may be hoped that the trade will respond to the still more liberal concessions now made to it, so that, perhaps, a more rapid recovery may be looked for now than after 1864.

FINANCIAL RESULTS.

51. The Committee calculated the results of their recommendations upon the ascertained trade of 1873-74. Upon this basis, they estimated the net loss of revenue, if all their proposals were accepted, and if, moreover, the lower rate of valuation recommended by the minority for certain cotton goods, were adopted, at Rs. 4,38,800. To this must have been added the following amounts, owing to the alterations made by the Government in some of the proposals of the Committee :—

Increased duties proposed by the Committee but not adopted.

	Rs.
Silk	1,21,000
Machinery	2,60,000
Iron	45,000
Articles of luxury	84,158
Add duties taken off in excess of the Committee's recommendations.	
Export duty on hides and skins	1,88,988
Import duty on coffee and quinine, less increase on arms, ammunition, &c.	10,000
Total ...Rs.	7 09,146

52. The Committee, however, reckoned as lost by the remission of the export duties which they recommended, not only the actual duty obtained in 1873-74, but a further sum of Rs. 25,000 which would have been also received, if the duties had been retained at the new valuations. This

sum of Rs. 25,000 should be deducted from the Committee's calculation. It thus appears that the loss of duty calculated upon the trade of 1873-74, and upon the basis of the Committee's recommendations as modified in detail by the Government of India, would have been Rs. 11,22,946.

53. The figures of the trade of 1874-75 are, however, now known; and the Government of India prefer to calculate the financial effect of the measures recorded in this Resolution, upon the basis of this trade, being the latest ascertained statistics.

The figures are as follows, after allowing for the net reduction (estimated at Rs. 46,333) of refunds and drawbacks owing to the reduction of the import duties :—

LOSSES.

Import duties remitted.

	Rs.
General rate reduced to 5 per cent....	17,20,000
Duty on coffee and quinine remitted—less increased duty on arms, ammunition, and military stores	10,000
	17,30,000

Export duties remitted.

	Rs.		
Cotton goods	1,63 826		
Grain and pulse	2,73,450		
Hides and skins	1,51,104		
Oils	94,955		
Seeds	9,84,730		
Spices	59,500		
All others	534		
	17,28,099	or say	17,30,000

Revision of Valuations.

	Rs.	Rs.	
Loss on cotton goods		8,80,000	
Less net gain on other goods—Rs.			
Import tariff	1,20,000		
Export tariff	1,40,000	2,60,000	
			6,20,000
Total loss			40,80,000

GAINS.

	Rs.	
On sprit	6,40,000	
,, wines and liqueurs	2,80 000	
,, other articles	80,000	
		10,00,000
Net yearly loss ...		30 80,000

54. It thus appears that the net amount of revenue sacrificed by the present revision, calculated upon the trade of 1874-75, is Rs. 30,80,000.

EFFECT UPON THE ESTIMATES.

55. Rather more than one-third of the current financial year is already passed; and the loss, during the remainder of the year, may be estimated at Rs. 20,00,000. The customs revenue of the year is, however, as yet, prosperous; and, apart from the revision of the tariff, the Government consider that it would have been reasonable, now, to estimate the revenue of the year at Rs. 2,80,00,000 instead of Rs. 2,67,00,000, as originally estimated. In considering these figures, it should be remembered that, in expectation of the present revision of the tariff, the customs revenue of the year was estimated at Rs. 4,20,000 less than would, otherwise, have been set down. There is, thus, reason to hope that, notwithstanding the sacrifice of Rs. 20,00,000 during the present financial year, the customs revenue will reach the sum of Rs. 2,60,00,00; in other words, that it will fall short of the estimate by only Rs. 7,00,000.

This augurs well for the rapid recovery of the revenue from the reductions now conceded; and it may fairly be expected that, notwithstanding the present concessions, the customs revenue, as a whole, will in a very few years be again as high as it was in 1874-75. For these reasons, the Government are of opinion that the changes introduced into the customs tariff, while they will give a substantial relief to the trade of India, will not cause any risk to the stability of the finances.

NEW CLASSIFICATION OF THE TARIFF FOR STATISTICAL PURPOSES.

56. It remains only to observe that the classification of the tariff schedules has been revised in accordance with instructions issued by the Secretary of State for India, upon the report of a Committee convened to consider the best means of assimilating the statistics of Indian trade with those of Great Britain and Europe.

CONCLUSION.

57. In conclusion, the Governor General in Council desires to offer the thanks of the Government of India to the Members of the Tariff Committee whose Report has been reviewed in this Resolution, and, especially, to those mem-

bers who, though not public servants, have willingly contributed their valuable time and experience to the laborious task which has now been accomplished.

ORDER.—Ordered, that this Resolution be communicated to all local Governments and published in the supplement to the *Gazette of India;* and that a copy be sent to each member of the late Committee for the revision of the Customs Tariff.

R. B. CHAPMAN,
Secy. to the Govt. of India.

GOVERNMENT OF INDIA.

LEGISLATIVE DEPARTMENT.

Abstract of the Proceedings of the Council of the Governor-General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 and 25 Vic., Cap. 67.

The Council met at Simla on Thursday the 5th August 1875.

PRESENT:

His Excellency the Viceroy and Governor General of India, G.M.S.I., *Presiding.*
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I.
Major General the Hon'ble Sir H. W. Norman, K.C.B.
The Hon'ble Arthur Hobhouse, Q.C.
The Hon'ble Sir W. Muir, K.C.S.I.
The Hon'ble Ashley Eden, C.S.I.
The Hon'ble Sir A. J. Arbuthnot, K C.S.I.
Colonel the Hon'ble Sir Andrew Clarke, R.E., K.C.M.G., C B.
The Hon'ble Sir Douglas Forsyth, K.C.S.I.
The Hon'ble T. C. Hope.

INDIAN TARIFF BILL.

The Hon'ble Mr. HOPE moved for leave to introduce a Bill to amend the law relating to customs duties and for other purposes. He would explain in a few words the origin of this Bill. About four years had elapsed since the existing tariff values were fixed by Act XIII. of 1871, and numerous representations had been made to the Government of India that market-prices had fallen considerably below those values. Regarding cotton-goods especially, the Manchester Chamber of Commerce had stated that the excess in values amounted to an addition of nearly one per cent. to the rates of duty. It likewise happened, in the course of customs administration, that as time went on, it was necessary to make various petty changes by notification, and legal difficulties came to light which could only be removed by legislation. Thus

a new customs law became necessary from time to time at no very long intervals. In December 1874, the Government of India appointed a Committee to consider all these matters. The constitution of the Committee was this: Bengal was represented by the Collector of Customs, Mr. Lane; Madras by the Hon'ble Mr. Dalyell, who had held the post of a Member of the Board of Revenue at that Presidency; Bombay by the Commissioner of Customs and Opium, an appointment held at that time by himself. The mercantile community were represented by the Hon'ble Mr. Bullen Smith, who was a Member of this Council, and Mr. J. C. Murray, the Chairman of the Bengal Chamber of Commerce. The Chamber of Commerce of Bombay was invited to send representatives, but was unable to do so. The Madras Chamber sent a short letter explaining their views upon the principal subjects under discussion, and the Bombay Chamber sent a detailed statement of the tariff values they desired, and also their proceedings at a public meeting, which were very voluminous, and expressed their views on all the points in dispute. The Chairman of the Committee was Mr. Money, Member of the Bengal Board of Revenue. The Committee had made their report, it had been taken into consideration by the Government of India, and the result was the Bill he now requested permission to introduce.

The Motion was put and agreed to.

The Hon'ble Mr. Hope then applied to the President to suspend the Rules for the conduct of business, with a view to the Bill being taken into consideration, and passed at the present sitting. The reasons for asking His Excellency to take this somewhat unusual course were, that urgent representations were still being made as to the loss which trade was suffering by the enhanced tariff values; that there was no reason why trade should be kept waiting for any relief as to rates of duty which the Government, with the concurrence of the Council, were prepared to give; and, lastly, that if the Bill were proceeded with in the ordinary manner, there would be, under some heads, loss to the public revenue, and under others a complete paralysis of trade.

His Excellency the PRESIDENT said that the reasons given by the Hon'ble Mr. Hope for the suspension of the Rules appeared to him to be conclusive. These Bills relating to customs tariffs were necessarily such as could not be circulated to the public previous to their introduction, because the circulation of them would have the effect of disturbing trade. Mr. Hope had also correctly remarked that there was considerable pressure to deal with this question. The President therefore declared the Rules to be suspended.

The Hon'ble Mr. HOPE then introduced the Bill and moved that it be taken into consideration. He added that in doing so he would explain to the Council, as concisely as the subject would allow, the nature and scope of the measure.

Taking first the body of the Bill, the Council would observe that sections 1, 4, 5, 8, and 10 corresponded almost word for word with sections 1, 2, 3, 7, and 8 of the existing Tariff Act No. XIII. of 1871. Section 2 of the Bill repealed that Act, and also Act XVIII.

of 1870, which it was desirable to get rid of and re-enact in the present measure. Section 3 was the old section 4, shorn of the Opium clause, modified to suit the proposed change in the export tariff, and with an addition of 'salted fish,' which he would explain presently. Section 6 was the old section 6, with the addition of the substance of the repealed Act XVIII. of 1870, empowering the Government of India to reduce or take off the duties on any particular goods. Section 7 placed in the body of the Bill a proviso regarding rendering unfit for human consumption spirit intended for use in arts, manufactures and chemistry, which existed in Schedule A of the present Act, and added a penalty corresponding with that in Act XVI. of 1863, which was the law on this subject for country-made spirit. Section 9 expanded the old Opium clause omitted from section 3, so as to place all the action of Government regarding opium on a clear legal footing. Section 11 was new, and empowered the Governor-General in Council to control the excise duties on country-made spirit, with the view of maintaining a proper proportion between them and the duties on imported spirit. Section 12 was the old section 5, with two similar verbal amendments of the Consolidated Customs Act which had been found necessary, and also an important proviso regarding arms. Its object was to enable the Government to deal with arms, ammunition, and military stores, for which a licence had been refused, in ways other than sale by auction, which alone was legal at present, and of course could not be resorted to without nullifying the refusal of licence.

Turning to the schedules of the Bill, it would be observed, in the first place, that the classification of articles had been entirely altered. Under the orders of the Secretary of State for India, a Committee had met in England to revise the whole of the Indian forms of trade statistics, with the view of bringing them into correspondence with the publications of the Board of Trade. Under the advice of this Committee, a new classified list of all imports and exports had been sent out for adoption, and the classification of the tariff had necessarily to be changed in conformity with it.

He would now explain all changes of importance which were proposed in the substance of these schedules for the approval of the Council—first taking changes in duties, next tariff values, and finally giving an outline of the financial result of the whole.

Commencing with duties which were said to be prejudicial to trade, and with the import side, the most important item was cotton goods and twist. In the course of 1874, the Manchester Chamber of Commerce had made two important representations to the Secretary of State, to the effect that the duty was "absolutely prohibitory to the trade in yarn and cloth of the coarse and low priced sorts;" that it was intended to import into India, American and Egyptian raw cotton in order to make the finer qualities also; that the duties increased the cost to the poor consumer, and fostered a protected trade and new mills, thus defeating their own object and endangering the revenue; and finally, that their "total and immediate repeal" was necessary.

The Tariff Committee, to whom these representations were referred, enquired carefully into them, and found that the duty levied in all India on the coarse goods referred to was only about four lakhs of rupees, or five per cent. of the entire duty on cotton goods, which amounted to about eighty lakhs, and that only half of this sum, or one-fortieth of the whole, belonged to Bombay, where alone there was as yet any considerable local manufacture. The case therefore stood thus, that because one-twentieth of the cotton goods imported were subject to a local competition, which only seriously affected one half of that twentieth, the Government were asked for the "total and immediate repeal" of the nineteen-twentieths of the duty, paid by the remaining cotton goods on which local competition had no present effect whatever. It might of course be said that the present duty was no measure of the injury local manufacture had caused, and that, to estimate it properly, we must take into consideration the quantity of goods which the local mills were now producing, and which it was to be supposed would, but for them, have been supplied by Manchester. But as far as Bengal and Madras were concerned, there was no trace of any injury whatever. In Bombay, no doubt, the mills took to a certain extent the place of increased imports, but the competition of Bombay mills, like their profits, had been greatly exaggerated. After deducting what they made for exportation, and allowing for the extent to which they had displaced the hand-loom weaving of the country, the residuum was not sufficient materially to affect the argument as stated above. The Committee were therefore of opinion that the case for total abolition, on the grounds on which it was claimed, must inevitably fall to the ground.

There was an alternative scheme put forward by the Chamber of Commerce—not of Manchester but of Bombay—which he would now notice. It consisted in the exemption from duty of only the coarser sorts of yarn and cloth which were subject to local competition. This scheme had, at first sight, a great deal to recommend it, but it was open to two objections: 1*st*, that it was impossible to draw a well defined line between coarse and fine goods; and 2*ndly*, that any line drawn would not only lead to elaborate evasions and frauds on the part of the home manufacturer, who would endeavour to make goods which should just come within the exemption, but would stimulate the local mills to manufacture goods just above the line, and so would enlarge the range of the competition now complained of. The line would never be a steady and permanent one, for it would be necessary perpetually to keep moving it on further and further, higher and higher, until in the end, perhaps, the whole duty would be affected. There were two principles on which a line might be drawn—the principle of value and the principle of description. By the principle of value was meant saying, for instance, that all cotton goods valued at nine or ten annas per lb. and under should be exempt. By that of description was meant specifying that certain kinds of cloth, say long-cloths, domestics, T. cloths, and other coarse grey cloths under 18 by 18 reed, should be free. "Value" was objectionable

in that it was not only a matter of opinion but subject to a double fluctuation—one following the market, like a tariff value, and another following the advance to higher and therefore more valuable kinds of cloth in which the local mills would be encouraged. "Description" threw on the Customs officers the onus of deciding whether the varieties of cloth which existed and the new ones, such as with 18 by 17 reed, which would spring up, were within the exemption or not. While fully appreciating the compliment paid to the honesty and intelligence of Custom-house appraisers by those who advocated "description," he did not think that the burden was one which ought in justice to be imposed upon them, or which they would be able to bear to the satisfaction of the mercantile community. As to invoices, weight and size of bales, and other indications which it was thought would prove safeguards, Customs officials knew well that only a limited reliance could be placed upon them. The difficulty of drawing a line could hardly be better illustrated than by the fact that in January last the Bombay Chamber of Commerce addressed the Tariff Committee advocating the principle of value, but that now the Secretary of the Chamber informed him (Mr. Hope) that on re-consideration leading members were in favour of the principle of description. On the whole, therefore, there appeared to be no doubt of the soundness of the verdict, understood to emanate from some leading members of the Manchester Chamber of Commerce, and announced by the Chairman of the Bombay Chamber in his speech of the 5th January last, that this alternative scheme was unworkable.

It might be said that this decision against either total or partial repeal showed a total indifference to the interests of Manchester. It was, no doubt, the fashion in some quarters to represent the interests of the Government of India and Manchester as antagonistic. But in point of fact the reverse was the truth. Both were in the same boat, for if Manchester lost her trade, the Government would lose its revenue, and would be obliged to resort to some other form of taxation which, considering the suitability and extensive incidence of a tax on clothing and the ease with which a customs duty was collected, would be far more objectionable than the duties now complained of. The wisest policy in the interests of both seemed to be to leave matters to take their natural course, instead of aggravating by interference any evil, such as it was, which might exist. The Council had already heard how small a proportion of the cotton trade was really affected. There was scarcely a trade furnishing imports to India which had not to suffer to some extent from local manufacture. We had only to look around at some of the ordinary articles we consumed to see that they were produced in India as well as in England. The competition of which Manchester complained was now but little more than had always been encountered from the hand-looms of India. And moreover what did the duty amount to?—5 per cent! Mr. Massey had remarked with truth that the Indian import duties were "the lightest in the world." Until two or three years ago the English import tariff itself comprised a duty on wheat called, like the Indian counterpart, a revenue duty, and yet no one thought

of accusing England of being a protective instead of a free-trade country.

In accordance with the above view it was the desire of the Government, with the concurrence of the Council, to do whatever seemed to be in accordance with sound policy to prevent what little evil might be thought to exist from assuming through their neglect undue proportions. The only measure at present required appeared to be the imposition of a duty upon raw cotton not the produce of continental Asia or Ceylon, which had therefore been provided for in the Bill. The reservation was intended to save Persian and similar cotton which was analogous to Indian and useless for the finer fabrics. The duty would, therefore, fall on American and Egyptian cotton, which the Bombay mills might be tempted to import. Another point was worthy of note, that the fact of the duty on imported twist being 1½ per cent. lower than that on cloth gave an encouragement to Indian mills to make the finer cloths from such twist. If it were thought by the English manufacturers that this modicum of protection was injurious, no doubt the Government would be ready to consider any representation they might make on the subject, and might abandon the policy of Mr. Laing, who reduced the duty on twist, and revert to that of Mr. Wilson, who declared in his financial statement of 1860 that he could "discover no good reason why cotton yarn and twist should be imported at a lower rate of duty than cotton piece-goods." If in spite of such precautions the Indian mill manufactures should assume more important dimensions than at present, then there appeared no doubt that the proper course would be, not a repeal of the import duty with its concomitant resort to more objectionable taxation, but the imposition of an excise duty. Home and imported goods would thus be put on an absolute equality, and the revenue unobjectionably derived from clothing would be preserved. At present there appeared to be little more need for such a measure than when in 1861-62 Mr. Laing decided against it. But it would be well if investors in Indian mills would bear this hint in mind and, thus forewarned, be precluded from charging the Government with breach of faith to them in the event of the imposition of an excise duty at any future date.

Having thus noticed the question of cotton goods, he would now take up that of raw metals. The Tariff Committee found that there had been a heavy fall in all of these, and especially in copper, lead, spelter and quicksilver. They accordingly recommended a reduction of the duty on these from 7½ to 5 per cent. But for the recovery which had been found since the date of their report to have taken place in 1874 75, it was probable that even a larger reduction than they advised would have been thought desirable. As it was, the present Bill adopted their recommendation, but extended it to all the metals paying 7½ per cent.

This reduction introduced the broader question of a reduction to 5 per cent. of all the articles in the tariff now paying 7½ per cent. Previous to the Mutiny the normal rate of the tariff had been 5 per cent. except on a few special articles; but that event necessitated heavy increases, and it was not till 1864 that a return

even to 7½ per cent. was attained. Ever since then there had been an implied understanding that the 5 per cent. rate would be reverted to whenever the state of the finances would permit.

The items paying 7½ per cent. were some fifty in number, and comprised several which could ill-afford the additional impost. In the case of raw silk, on which the additional rate produced nearly two lakhs of rupees, there was the anomaly that the home spinners of Gujrat and other Provinces had to contend at this disadvantage with imported silk goods paying only 5 per cent. duty. Another important point was, that all the 7½ per cent. articles were falling off. The average of the last four years was below that of the preceeding four by no less than nine lakhs of rupees of duty, from which, at 7½ per cent., the falling off in the value of the imports themselves could readily be calculated.

The amount involved in a reduction of these articles to 5 per cent. was very large—no less than seventeen lakhs of rupees! The reduction from 10 per cent, to 7½ per cent. in 1864 had been recouped to the revenue in three years. But as in the present case the reduction would be of one-third instead of one fourth, a longer period would perhaps be required. On the other hand, the railway system had since then been greatly developed, and a greater proportionate recoupment might also be expected from every fresh reduction of duty.

Considering this prospect, and also that the relief would reach very numerous branches of trade, that it would in some cases be a set-off against unavoidably increased tariff valuations, as also that trade was believed to be generally depressed and the value of silver was low, he was glad to say that the Government were prepared, with the approval of the Council, to take a bold course, and reduce to 5 per cent. all items except arms, ammunition and military stores, which would be noticed presently.

The Tariff Committee were instructed, amongst other matters, to consider whether there were in the tariff any articles so unimportant that they might be exempted altogether from duty. The Committee found under this category only fishmaws, sozille and singally fish, and shark-fins, the whole duty on which was refunded on exportation. To this the present Bill proposed to add coffee, because two thirds of the duty was refunded, and the net sum received was under £500 a year. Quinine, it was also thought, might be exempted, both on hygienic grounds and in the hope of encouraging the importation of a purer article than that which was now received.

All changes in import duties thought to be prejudicial having been explained, he would proceed to exports. The first item was cotton goods. This duty was subject to the general objection that it was laid upon a local Manufacture subject to severe foreign competition, and was thus a burden of 3 per cent. on Indian manufactures in foreign markets. Where, as happened to some extent, the goods were made of imported twist, which had of course paid the 3½ per cent. import duty, the burden was 6½ per cent. instead of 3. The returns showed a falling off in the trade of late. As coal and iron were relieved in 1862 on similar grounds, and the

three Indian Chambers of Commerce, together with the Committee, recommended the measure, the abolition of this duty was provided for in the Bill.

Hides and skins, the Committee thought, might remain dutiable, as the trade was undoubtedly thriving. But considering that raw hides had been exempted some years ago, and it was an anomaly to tax the industry alone, especially in the face of competition, abolition was recommended in this instance also.

Seeds, grain (other than rice and wheat—the former to be noticed presently and the latter already free), oils, and spices were recommended for relief from duty by only a majority of the Committee, who held that although individual oils and seeds might be doing well, the trade as a whole had been nearly stationary for some years, and had to encounter severe competition from America and Russia—countries holding a great advantage as to freight and time of reimbursement of investments. These grounds were considered to warrant abolition.

With regard to exports generally, due weight ought to be given to the importance of relieving the producer, and the indirect returns in land-revenue, indirect taxation, railway receipts, and especially exchange, which would follow that policy. By the measure proposed the Indian export tariff would be reduced to three articles, all taxable, for the present at least, on special grounds. Indigo and lac were still in the main monopolies in the hands of India, and where, as might sometimes happen, the duty on rice fell on the producer, an exceptionally light land tax rendered him able to bear it, and justly liable to do so.

It was not possible, Mr. HOPE proceeded to state, that relief from duty of the extensive nature now proposed, and amounting to perhaps thirty-four lakhs of rupees, could be given without increase of other duties where such a course was reasonble. Spirit was an article which had long been known as capable of bearing a higher duty. Two years ago the Bengal Board of Revenue had recommended that the duty of Rs. 3 per gallon should be raised to Rs. 4, in order to preserve a proper relation with the excise on country-made spirit. The Madras Collector of Customs on similar grounds recommended as much as Rs. 5 gallon. As the existing duty was not light and every rupee per gallon was equal to six lakhs of rupees of duty, an increase to Rs. 4, which the Committee advocated, was thought sufficient for the present Bill. No doubt there was a possibility that this increase might check consumption, but not a probability, and if a decrease did occur it was likely to be met by a corresponding increase in the excise on country spirits.

Liqueurs were at present classed with champagne, and paid Re. 1-8 per gallon. The Committee recommended their being raised to Rs. 3; but considering that they were a pure luxury, there appeared no reason why they should not pay Rs. 4, as spirit did.

Wines were at present placed in two classes, champagne and other sparkling wines, paying Re. 1-8 per gallon, and all other wines paying Re. 1. On examining into the incidence of this rate the Committee found that claret and Burgundy were at this rate

paying on an average 20 per cent. *ad valorem*, and held this rate to be sufficient, especially in view of the desirability of encouraging the use of such innocuous beverages by Europeans, in preference to spirits. Champagne and the like were found to pay only from 10 to 15 per cent. *ad valorem*, and the remaining wines 11 per cent. on an average; so the Committee recommended that the one should be raised to Rs. 2-8 and the other to Re. 1-8 per gallon. In both cases the increase left the duty a little under 20 per cent., which could not be deemed excessive, since the duty on wines in England was believed to be about 23 per cent. The Committee's recommendations were adopted in the Bill.

It might of course be said that these increases on both spirit and wines were an addition to class-legislation at the expense of Europeans. There were, no doubt, certain well known objections to class-legislation which, however, need not be gone into on the present occasion, as in this case nothing more was effected than a readjustment of class duties, and a very desirable one. The long list of articles the duty on which was reduced from 7½ to 5 per cent. embraced very many which were much consumed by Europeans. Apparel, for instance, got relief to the extent of a lakh and a half; glass-ware, Rs. 80,000; provisions and oilman's stores, Rs. 80,000; carriages, watches, pianos, billiard tables, saddlery, china, stationery, and other things too numerous to mention, came in for their share. Soap, for which Europeans were believed to have an especial predilection, got a bonus of Rs. 5,000; and even the lovers of pipes and cigars were not forgotten.

Arms, ammunition and military stores were the last item entered in the Bill for increase. The Government thought it desirable on political grounds to raise the duty on them from 7½ to 10 per cent.

Besides the increases of duty already referred to, there were a few minor articles on which new duties were proposed. The reasons for a duty on raw cotton had been already given. As to the rate of duty, it was clear that in order that a local manufacturer using imported raw material might have no advantage over the importer of a manufactured article who had to pay duty, a duty on the raw material was required at least equal in amount to that paid on such manufactured article. Theoretically, perhaps the duty on the former ought even to exceed somewhat that on the latter. But in the present case it was thought sufficient to make the two equal—that is, to impose 5 per cent.

A small duty on salted fish was found necessary in Bombay, in order to prevent Indian salters who had to use our excised salt being at a disadvantage compared with importers of foreign salted fish, which had no excise to pay. The rate had been made nearly equal to our excise duty on salt. Indigo-leaves also it was proposed to subject to a special duty, to prevent the loss to the revenue arising from the manufacture of indigo in Pondicherry from leaves exported from British India. Duties were likewise recommended by the Committee in their 19th paragraph on a variety of small articles, in order to fill up gaps and correct anomalies. Their suggestions were adopted in the Bill, except as regarded bricks, tiles, tallow, and grease.

It was a relief, Mr. HOPE continued, to turn from duties which it seemed necessary to impose to the mention of others which, though formally recommended by the Committee, did not appear expedient. The Committee suggested that six items which they deemed luxuries might be raised from 7½ to 10 per cent.—a measure which was fortunately not financially necessary, and lay open to various objections. It was only fair, however, to those members of the Committee who by their votes carried this recommendation, to state that they probably would not have made it but for the belief that some equivalent must be found for the duties they desired to remove. Silk they proposed to raise from 5 to 7½ per cent. but this placed silk higher than other piece-goods. They also advised the increase of the duty on iron from one to two per cent., and the imposition of a 2½ per cent. duty on machinery, which was now free. The Government, however, were of opinion that it was as important to encourage manufacturing industry now as at the time when these articles received the favour they enjoy. The total estimated yield of duties thus suggested, but not included in the Bill, was Rs. 5,10,000.

Having thus explained the changes of all kinds in rates of duty which were comprised in the Bill, he would mention briefly tariff values. The valuations of the Committee involved a net loss of Rs. 2,60,000 on the basis of 1863 64, and they had been adopted in every instance except one. The Committee were equally divided as to the valuation of shirtings, which it was agreed among them should govern that of the classes above and below. Those members whom the casting vote of the President constituted the majority advocated a higher valuation, based on an average of the preceding thirteen months, the others a lower, in consideration of the present and future prospects of the trade. The difference between the two, though only amounting to six pies per pound, involved about Rs. 1,60,000 of duty. In view of actual quotations since the date of the report the adoption of the lower rate was now proposed. According to the estimates now prepared on the basis of 1874 75, and with allowance for all the proposed changes of duty, the net loss by valuations would be Rs. 6,20,000. The actual relief to cotton goods alone was no less than Rs. 8,80,000, or nearly 11 per cent. of the whole duty paid.

In conclusion, he would trespass but a few moments longer on the patience of the Council, for the purpose of stating very briefly the financial result of the entire measure, leaving to the Hon'ble Member in charge of the Finances to show how that result affected the Budget and was justifiable on general financial grounds. The loss by reduction of import duties would be £173,000 per annum, and that by remission of export duties an equal amount, or £346,000 in all. To this was to be added, as already stated, £62,000 for tariff valuations, making a total of £408,000 per annum. Against this loss was to be placed a gain of £100,000 per annum, composed of £64,000 from spirit, £28,000 from wines, and £8,000 from minor articles. The net loss was therefore £308,000 per annum. It would be perceived that the consumer would get a net relief of 161,000 and the producer of £173,000. As regarded the current

financial year of course only two-thirds of these figures were to be taken, as four months of the year had expired. He had every confidence that the Council, in view of these figures and the explanations which had been offered, would approve of the measure he had had the honour of laying before them, as being sound and opportune.

The Hon'ble Sir WILLIAM MUIR said—My Lord,—"The Council will probably expect from me some explanation of the bearing which the measures now proposed for their consideration will have upon the finances of the empire.

"Hitherto no extensive revision of the tariff has been made but at the beginning of the financial year and in connection with the budget. Measures of the kind taking effect during the currency of the year are inconvenient because of their disturbing influence on the estimates; and the present is no exception to the rule. But it was found impossible to mature the details connected with this revision at an earlier period; and my hon'ble friend has explained the evils that would have resulted from further delay. It is true that Government was in possession of the Tariff Committee's report before the budget was closed; but so many weighty questions required careful deliberation, that anything like immediate or precipitate action would have been most inexpedient; and in view of the broad and liberal treatment the subject has received on both sides of the tariff, the delay will not, I trust, be regretted by the mercantile community.

"Formerly all questions connected with Customs were dealt with in the Financial Department alone; but since the establishment of the Department of Agriculture and Commerce, the responsibility has naturally been shared with it. The proposals now before the Council, framed under the personal guidance of your Excellency, have been carefully elaborated in both Departments and, I may add, have the cordial concurrence of both.

"As regards the charge of the Bill, it was felt that no one was more competent to the duty than my hon. friend who has introduced the measure, both from his intimate acquaintance with the subject and also because, having been himself a member of the Tariff Committee, he was thoroughly cognizant of their proceedings and the reasons which dictated their proposals. And I am sure that the Council will feel that the manner in which he has discharged the trust has fully justified the confidence reposed in him. I think that the thanks of the Government are in an especial manner due to Mr. Hope both for his labours in elaborating all the details involved in this important measure and also for the exhaustive and able speech in which he has placed them before the Council; and the thanks of Government are similarly due to the Committee for the thorough and earnest manner in which they conducted their investigations, and for their complete and most satisfactory report of the results of their deliberations.

"The duty now devolves upon me of showing in what way the changes proposed will affect the estimates of the year, and how our future finances will bear the strain of the loss arising therefrom.

"And first as to the re-adjustment of VALUATIONS. The Com-

mittee estimated the loss of duty by reduction of values at £76,700 and the gain by increased values at £50,700, leaving a net loss of £26,000. But there was a difference of opinion as to the price of cotton goods; and the Government, giving the doubt in favour of the trade, adopted the lower valuation of the minority, thus increasing the net loss to £42,000. A provision to this amount was accordingly made in the estimates for the year.

"But the loss has been increased by further alterations in the tariff. Making the calculation on the receipts of 1874-75, the reduction on cotton goods alone amounts to £88,000; whilst against this we have a gain by increased values of only £26,000, leaving a net loss of £62,000. Of this only two-thirds, or £41,333, will be incurred during the remaining eight months of the year: and this is covered by the provision in the budget of £42,000. In calculating the loss in future years, as compared with the estimates of the present year, a deduction to the extent of this provision should be allowed, which will leave a sum of £20,000 to be debited hereafter as the annual loss for decreased valuation.

"I proceed to notice the loss on IMPORT duties. In their treatment of the import tariff, the Committee confined their proposals to a reduction in the duty on metals, estimated at £17,000. They no doubt refrained from recommending any larger measures, not considering themselves at liberty to do so. But your Excellency has happily determined on the broader and bolder course of cutting down the duty all round from its present rate of 7½ to 5 per cent.

"My hon'ble friend was himself in favour of this reduction, though he did not venture to look for it till some future occasion; in his separate paper he writes:—

"'There is no reason why cotton goods generally should pay a lower rate than other articles. I hope that the next general change will be a reduction of the 7½ rate to 5 per cent.; and I believe that fiscally the result would be very satisfactory.'

"The Tariff Committee of 1869 also advocated the same measure.

"'If the finances of the country,' they said, 'could bear the reduction at the 7½ per cent. duty to 5 per cent., we would urge the expediency of the change by which a considerable measure of relief would be afforded to the commerce of the country.'

"Looking back to the various changes which have taken place in the import tariff, I find that prior to the mutiny, the general rate on British goods was 3½ per cent. on raw products, and 5 per cent. on manufactured or prepared articles; with special rates at 7 and 10 per cent. on certain classes of goods. In 1859, owing to the deficit caused by the mutiny, the general rate was raised to 10 per cent., and on a variety of luxuries (as tea, coffee, millinery, grocery, &c.,) as high as 20 per cent.; but this latter rate so crippled the trade that in the following year it was reduced by Mr. Wilson to 10 per cent.; and this continued to be the ruling duty for the next five years. Meanwhile in 1861 cotton yarn was lowered by Mr. Laing to 5 per cent., and in the following year still further to 3½ per cent., and piece-goods from 10 to 5. In 1863 iron was brought down from 10 to 1 per cent. The next large measure

was in 1864, when the general rate was lowered from 10 to 7½ per cent.

"The measure then which your Excellency has now resolved on, namely, a reduction of the general rate of import duty from 7½ to 5 per cent., brings us back to the normal import duty that prevailed before the finances were disorganized by the events of 1857-58, but without the special rates. From this large measure of relief we may anticipate the happiest effects, in the encouragement of commerce, and in causing a material accession to the import trade. The expectation is based on experience; for the rebound, when the duty was similarly lowered in 1864, is truly surprising. The average customs revenue from the articles affected for the three years preceding that reduction was £400,000; in the three years following, it fell to £333,000; but in the second triennial period (1867 to 1869) it rose to £404,000, that is to say, the loss was more than recouped within three or four years. There is a distinction, however, between the former and the present measure; that was a reduction from 10 to 7½ per cent., or one fourth; this, from 7½ to 5, or one third; £400,000 duty at 10 per cent. represents a trade of four millions; at 7½ per cent. or five and one-third millions. Thus the former reduction was covered by an increase in trade of £1,400,000 in three years; or at the rate of above £450,000 a year. To recoup the loss in the present case, the addition to trade must be £3,440,000, which, at the former rate, would take at the least seven years. But then the present reduction is larger in the proportion of 4 to 3; and we may naturally expect that the stimulus to trade will be proportionately stronger, and more rapid in its action. Add to this that the railway system has since been greatly extended and the facilities for the distribution of merchandise multiplied. The import trade will also receive a reflex impetus from the relief proposed for the export trade.

"It is true that other causes may also have been at work to create the rapid development of trade from 1864 to 1867; but credit may justly be taken for the reduction as the chief agent; and the precedent strengthens the position of Government in its present resolution.

"Hardly any articles have been removed from the Import Schedule, excepting coffee which is a home product, and quinine, which was recommended by the Committee in 1869, and the cheap and plentiful supply of which cannot but be regarded as a blessing to the country at large. On the other hand, some minor articles, before accidentally omitted, have been added; for, constituted as the Indian import tariff is with a general reach and incidence, exemption can only be justified on special grounds, as e.g., with machinery, the attraction of which is of the highest consequence to develop the resources of the country, or where the duty is so small that its collection is not worth the expense and trouble. For any other cause, exemption would, under the present conditions of the tariff, be tantamount to a class-privilege.

"Bating the set off from these additions, the loss to our Customs revenue by the reduction of import duty from 7½ to 5 per cent., as estimated on the receipts of 1874-75, will amount to £173,000.

"I now come to the EXPORTS: and here the recommendations of the Committee have (with one exception) been adopted whole and entire. Every staple has been swept away from the list of dutiable exports, but three. The reform now achieved has long been demanded. For 30 or 40 years, it has been admitted on all hands that to levy a duty on the export of our own productions is the most vicious form of taxation, excepting only where we have either a monopoly of the staple, or such special advantages of soil and climate in its production as will enable us to command the market, and so to throw the increase of price upon the foreign consumer. As long ago as 1846, the Hon. Court of Directors stigmatized the levy of duties on the export of our staples, because 'they could not fail to restrict the demand for these articles, and to render them less able to compete with the similar products of other countries,' and concluded that 'all these duties were objectionable in principle and ought to be abolished with the single exception of indigo.'

"Sir W. MUIR then quoted a number of distinguished authorities, from that time to the present, including Sir H. Maddock, the Calcutta Chamber of Commerce, Mr, Bullen, Mr. Crawford, Mr. Bullen Smith, and Colonel R. Strachey, who had in the strongest terms denounced export duties, and urged their abolition. In 1860, the Right Hon. Mr. Wilson thus addressed the Council:—

"'As a general rule, when the products of our soil have to find a foreign market, and in cases in which they enter into competition with those of other countries, the direct effect of export duties must be to place our products in those countries at a disadvantage with their foreign competitors. .. With regard to export duties on articles which have to compete with the products of similar articles from other countries in neutral markets, the first effect no doubt is that the export duty acts to that extent as a reduction of the price paid to the producer, and is a special tax and discouragement to him as a producer; but a further and serious danger is that your duty may exclude the articles from the foreign market altogether, act as a prohibition, and thus put an end to, or greatly limit, the production and the demand for labour. It is this obvious distinction that has made us so desirous to relieve our exports as the best means of improving our internal resources.'

"Notwithstanding these vigorous and unassailable protests extending over the last thirty years, the tariff has till very recently been clogged with a vast number of export duties. Slowly, and one by one, they have gone. In 1860, tea, coffee, wool, flax, jute, and raw hides, were freed; in 1865, silk, saltpetre, borax, wax, and shawls; in 1873 wheat, and in 1874 lac-dye. But up to 1867, no less than 97 articles were subject to export dues, besides every article not enumerated in the tariff. A great reform was made, at the recommendation of the Committee in 1867, when only 9 articles were retained. And so the tariff has remained to the present time, when it is now left for your Excellency to give the *coup de grâce*, or nearly so, to this bad system.

"Six staples of the country,* all labouring under the disadvantage of foreign competition, it is now proposed to free. The remission has been recommended in every case by the Committee excepting that of hides. But raw hides having been exempted in 1860, the maintenance of the duty would evidently have been a burden on the export of tanned and prepared skins, and thus a check upon a profitable industry. Indeed one chief merit of the present measures is that unfettered export will promote domestic manufacture not only in this case but in that of Cotton goods, Oils, and other commodities (as has already been done with Jute), and so encourage the shipment of our staples in a more valuable shape, and one that will ensure a higher return. And we may assuredly hope that India has now a new rôle before her by the growth of a flourishing export trade in her own manufactures.

	Duty. £
* Cotton goods	16,383
Grain	27,345
Hides (prepared)	15,110
Oils	9,496
Seeds	98,473
Spices	5,950
Miscellaneous	53
TOTAL ..	172,810

"In comparing with by-gone tariffs the Schedule now submitted to the Council with its three remaining articles, it is hardly possible to believe that but eight years ago, the export tariff contained close upon one hundred articles, besides every other commodity that was not therein expressly freed by name.

"From this measure, we may surely anticipate that a great impetus will be given to production throughout the country and to the export trade. The saying of the Wise man is true in this aspect as in so many others; 'there is that scattereth and yet increaseth, and there is that withholdeth more than is meet and it tendeth to poverty.' Instances are not wanting of the export of a staple having been checked with the view of retaining it in the country; and the result has been the drying up of its production, scarcity and dearness, and the eventual impoverishment of that country. On the contrary, the increased demand caused by free export, will, we confidently trust, stimulate production everywhere, cause fresh capital to be invested, and new labour applied; and thus, like fresh springs each one contributing its portion to the flood, the quickened manufactures and production will from every quarter help to swell the great stream of merchandise.

"This is not to be set down as mere theory or fond expectation. It can be illustrated from many undoubted examples of the marvellous growth of trade when freed from the burdens of the custom-house. I will adduce a few instances by way of illustration.

"JUTE (raw) was made free in 1860. In the five years preceding, the quantity exported averaged 684,800 cwts., value £344,500. In the five years ending 1874-75, the trade had increased to an average 5,790,000 cwts., value £3,504,000.*

	Cwt.	£
*Five years' average 1855-59...	684,800	344,500
" " " 1860-64...	1,641,259	902,463
" " " 1865-69...	2,580,000	1,326,000
" " " 1870-74...	5,790,000	3,504,000

"HIDES (raw) were exempted in 1860. In the five years from

1863-68, the value of raw hides exported averaged £894,758 : in the next five years £2,355,677 : and in 1874-5 £2,677,767.

"The statistics of TEA have a special significance for the confidence they afford of the steady growth and bright future of this important staple. It was made free in 1860 ; in the five years from 1863 to 1868 the average annual value of export was £519,164. In 1874 it had reached £1,937,429.†

†Five years.	Average.	
	lbs.	£
1863-68	6,340 418	519,164
1869 73	16,285,653	1,409,589
1874-75	21.137,087	1,937,429

"The growth of the WHEAT trade (freed in 1873) is remarkable From 1862 to 1865 the annual export was only 63,557 cwts. : during the last two years it has averaged 1,412,500 cwts.‡

	Average.	
	Cwt.	£
1862-65	63,557	...
1867-69	217,700	77,664
1870-72	426,510	188,313
1873-74	1,412,500	659,000
1874 75		

"The rapidly improving aspect of our general Export trade will be clearly learn from the following particulars, in which quaternial periods are compared for the last twenty years. The figures are exclusive of the value of raw cotton, the greatly enhanced price of which from 1862 to 1865, consequent on the American war, would have vitiated the comparison.

			£
Average for 4 years	1859 to 1862	... ...	25,800,000
Do do	1863 to 1866	... ...	28,880,000
Do do	1867 to 1870	... ...	33,239,247
Do do	1871 to 1874	... ...	41,480,543

In 1834-35 the total of our exports to all parts, as Mr. Wilson shows in his speech of 1860, was under eight millions. It is now more than five times that amount. Mr. Wilson goes on to say :—

"'Again, Sir, in 1834-35, the value of our imports into India was only £4,261,106 : in 1858-59 it was no less than £21,366,447 ; and in the present year will exceed £24,000,000' [*in* 1874-75 *it was close on* 36 *millions*]. 'And this is independent of treasure, to the average amount of no less than £11,223,107 yearly ... .. Taking the exports and imports of merchandise and treasure, and there is really no distinction between the two, we find that the trade of India has grown up from a total sum of £13,847,289 in 1833 34 to one of £60,219,660 in 1858 59. Can we desire a stronger proof of the steady prosperity of the country ?'

"A bright and promising view ; but no one can accuse it of having been over-sanguine, when we find the average of the total trade for the five years ending 1873-74 was nearly ninety-five millions, and that 1874-75 it exceeded one hundred and one millions. With these facts before us, we may not doubt the marvellous buoyancy of Indian merchandise, nor question the capacity of the trade for future expansion in the same ratio ;—or rather, having regard

to the concessions now proposed, and the increasing facilities created by the railway, in a ratio still more rapid and surprising.

"The loss from the remission of export duty is close upon £173,000, which (by happy coincidence) is the exact relief given also to the import dues. The loss by exchange is a loss to importers, but it is a gain to exporters. The importers, therefore, may say that they were in need of greater relief. This is of course not stated as an objection, but simply as a suggestion, in case it might seem to render expedient a modification of the expression 'just.' But this must not be regarded as altogether a dead loss. For *first*, the remission of duty will stimulate the export trade; and that again, by swelling the amount required in repayment, will re-act upon our imports, and increase our customs revenue. *Second*, an increase of exports (until, at any rate, they shall have been balanced by an equal increase of imports) will improve the exchange by creating a greater demand at home for the means of remittance to India; and any improvement in exchange will lighten our burden on account of the heavy payments made in England *Third*, the expanded trade will add to the railway traffic, and so to its receipts in which Government is directly interested. And *fourth*, whatever increases the demand for the products of the soil or enhances their value, must add to the wealth of the people; and moreover the Land-revenue is benefited not only by greater ease and regularity of realisation, but also (where the settlements are temporary) by an eventually higher assessment. These are all clear advantages to our finance, which, though indirect, are not to be the less thought of on that account.

"Three articles are still retained on the export schedule. Of lac and indigo* we have practically almost a monopoly, and so the duty, serving to raise the price, falls on the foreign consumer. It is true that indigo is exposed to some inconsiderable competition from America and also to danger from mineral dyes; and Mr. Wilson seemed to contemplate its eventual remission. But the Committee say that the duty (not more than one per cent. *ad valorem*) is not felt, and they do not recommend its removal. It is a trade, however, which engages much capital and employs much labour, and is deserving of every encouragement: and I trust that it may be possible at some future time favourably to consider its claim to be free. The third staple is rice. The propriety of retaining the export duty on it was much discussed some time ago. It was then doubtful whether the duty had not a prejudicial effect upon the trade. But of recent years there seems ample evidence that neither production nor export is checked by it; on the contrary, both expand and flourish in a manner quite astonishing. The greater part of the export is from Burma, and the position of Burma is peculiar: the land assessments are extremely low; and this duty, which is a moderate tax on the profits of the peasant proprietors, is the most easy and convenient form of supplementing the land-revenue. It is clear that, for the present at any rate, it does not press; and such being the case, we could not afford to give up the large customs revenue

		Duty.
* Lac	... £	24,300
Indigo	... ,,	47,300

of £600,000 derived from it for any mere theoretical objection. We are fortunate in having here present, in my hon. friend Mr. Eden, the highest authority on the subject; and I hope that he will give us the benefit of his views upon it.

"I should have said that there was a fourth commodity subject to the trammels of the custom-house, and that is opium; for the income derived from it, under whatever form taken, is in reality an export duty. But it falls on the foreign consumer; and I think there are few, at the present day, who would wish to see the duty on it lowered or the traffic stimulated. Rather should it be our object, if possible, even to enhance the duty.

"We come now to consider the total loss for which we must be prepared. Upon imports and exports, there will be a loss on each of £173,000, for duties reduced; and (as will be remembered) there is on account of lowered valuations a balance to be debited against future estimates of £20,000, making in all a total of £366,000. Against this must be put the gain expected from increased duty on spirits and wines, and the additional articles taxed, amounting (as Mr. Hope has shown) to £100,000; so that the net loss will be £266,000. The calculation is made on the returns of 1874-75, a favourable year. On the average of the three preceding years, it would be some £25,000 less.

"Such, then, is the loss for which we must be prepared. This is without taking account of any recoupment, direct or indirect, from increased trade. It is also irrespective of enlarged receipts from spirit manufactured in the country, the excise on which will be raised, as far as possible, to the enhanced standard of the new import duty; but against this there may possibly be some diminution of consumption. All such sources of increase are, however, contingent on the future; and to be absolutely safe (so far as safety is possible in finance) we must look how our ways and means will stand without them.

"In the current year, then, there will be no difficulty. Four months of the year have already passed; for the remaining eight the loss will be £177,334. The surplus provided in the estimates is £506,000; so that the margin is ample. And we have every reason to expect that the out-turn of the year will be materially better than the estimates. One heavy loss, indeed, there will be—for exchange; but however high we may take this, it will be far more than covered by the rising receipts in other branches. It is early, and perhaps imprudent, to calculate as yet the issue of the year. But there are certain branches in which we shall almost certainly be above our estimate. Opium is already £167,000 in excess, and by the close of the year may probably be £300,000 to 400,000. In customs we are even now £113,000 above estimate, and an equal sum in salt.

"So far as can be foreseen, no extraordinary charges are likely to devolve upon us. The only item of kind is the grant of £30,000 for the visit of His Royal Highness the PRINCE OF WALES. And should the expenditure exceed that sum, assuredly we shall not grudge it on the auspicious occasion that augurs so well for the future of India, and promises to deepen the personal interest of the

Throne, and one might add of the whole Realm, in the prosperity of this great dependency.

"Everything, indeed, looks prosperous at the present moment: and although it would be rash to calculate on the continuance of equal fortune to the close of the year, yet we may with some confidence assume that, even with the drain of the present measures upon it, the surplus of the year will prove to be considerably larger than what was estimated in the Budget.

"And now as regards future years, the same considerations may induce a feeling of security that the loss, even if in no degree recouped, would not endanger the equilibrium of our finances. True, if anticipated, that loss would have reduced the estimated surplus of the year to £240,000. But, then, we must bear in mind that the estimate for Opium, though taken at a higher figure than before, was still avowedly low. It was, in fact, £380,000 below the lowest income of the last seven years, and £800,000 below the average of that period. It is not unreasonable then to expect that we shall, on the average, have in the future at least £400,000, or half a million, above the estimate of 1874-75. Then the other main sources of revenue—Land, Excise, Salt, Customs—are all in a sound state, and show a tendency to rise, and that in a far more marked and rapid way than any increase in the charges of administration. It is true that the prospects from exchange and the depressed value of silver are not encouraging; but any loss on that account must be small in comparison with the sources of enhancement. And over and above all these considerations, we have the good hope of an eventual full recoupment of our loss by the steady growth of trade, increased Railway receipts, and other benefits to be looked for from the present measure.

"In forming any forecast of our position, it would be wrong not to take into account the contingencies of the future in reference to three enemies of Finance,—*famine, flood,* and *foe.* In so great an empire, we cannot but expect from time to time the visitation of drought and famine in some parts of the dominion. But the experience of the past is not discouraging. The special conditions of the recent famine in Bengal involved, from the inaccessibility of the tract, the necessity of an unusually large expenditure. And yet the cost, nearly six millions, was (as shown in the financial statement for the year) nearly covered by the surplus of the preceding three years alone. And it should be remembered that this conclusion is not affected by the money we have been borrowing during that period. All this and more has been devoted to the construction of reproductive works which, besides adding to the revenue and the prosperity of the country, will eventually repay the interest due upon them The debt, therefore, will in reality prove no burden. The general revenues will not be one whit the worse on their account.

"As respects floods, we are no doubt frequently exposed to them; but I do not recollect any instance in which they have seriously affected our receipts. During the past year there were serious losses from this cause both in the Madras and Bombay

Presidencies; but they hardly told perceptibly on the revenues of the year.

"As for war, it is of course entirely beyond the scope of any computation, and we can only trust that there may be 'peace in our time.' But bating this last contingency, we have, I believe, every ground of confidence that our receipts will continue to be in excess of our normal expenditure; and that even after the drain upon them caused by the proposed measures, we shall have a sufficient and an improving margin.

"There is one other conclusion to be drawn from this brief review of our finances. It will have been clear that, even if it had been on other grounds expedient, our position would not have admitted abandonment of the duty on cotton imports. The loss of £800,000 could not have been undergone unless we could have substituted for it some new source of taxation; that is to say, we should have to give up a productive source of income, the pressure of which, though of wide incidence, is not appreciably felt by the people, and in its stead impose some new measure that could not fail to harass and irritate the people. I hardly think that any one could seriously contemplate the alternative. Indeed the arguments of the Committee, as clearly enforced by my hon. friend, are conclusive against the necessity for any change. The competition from domestic manufacture affects at the most only four out of eighty lakhs of rupees of duty, that is only one-twentieth part of the trade. If the coarser commodity so affected could have been treated separately, it might have been exempted altogether; but, as Mr. Hope has shown, there are insuperable difficulties in the way. No doubt, the argument is theoretically correct that where a commodity is produced at home, we should either free the import of that commodity, or excise its production to an extent equivalent to the import duty, or altogether prohibit its production. But if hon. members will cast their eye down the import schedule, they will find hardly any article which, in consequence of the vast area and varying conditions of our soil and climate, cannot be more or less produced in some part of our dominions. The argument, however perfect in theory, would prove too much in practice; for I presume no one will contend that, in deference to mere theory, we should surrender our whole revenue on imports, of £1,700,000. And, in point of fact, the duty is so low that it cannot perceptibly affect the trade. This was evidently the opinion of Mr. Laing. In his financial statement of 1861, when vigorously denouncing all protective duties, and asserting that they 'certainly could not be maintained for a couple of years,' he at the same time admitted an exception where the import duty was 'so small that it would be palpably not worth while to establish a countervailing system of excise.' The duty on cotton piece-goods was then 10 per cent., and that on yarn (reduced by him to) 5 per cent.; it is now but 5 and 3½ per cent., respectively. His views are still more explicitly stated in the following passages delivered on the same occasion:—

"'Free trade does not mean that there shall be no taxes; but that taxes

shall be levied solely with the view to revenue, and not partly for revenue and partly for protection.

"'That every Customs duty on an imported article should have a corresponding excise duty on similar articles produced at home, has therefore become an axiom; and it admits of only one exception, where the amount of import duty is so moderate, that it does not seriously affect trade, while it makes it obviously inexpedient to establish an excise machinery for the sake of levying a trifling duty.

"'This is the case with regard to corn in England, where a duty of 1s. a quarter equal to 5 per cent. on the cheaper sorts of foreign grain is retained, and it is precisely our case with regard to piece-goods.

"'We cannot dispense with Customs duties on our imports generally; and while this is the case, no reasonable man can object to our retaining an old accustomed duty of 5 per cent. on manufactured goods.'

"The argument is sound, and on the present occasion most pertinent. The trade flourishes under the duty, and the imports indeed were higher last year than ever, even although burdened with an excessive valuation. The trade will now receive material relief in that respect to the extent of £88,000, or 11 per cent. of the entire duty hitherto paid, and it must not be forgotten that the Government has specially favoured this branch of merchandise by adopting the lower valuation of the minority of the Committee. Moreover, in common with all other imports, the cotton trade must benefit in the increased demand, which we trust will follow the freeing of the export traffic, in repayment of growing shipments to Europe.

"I must apologize to the Council for having detained them so long; but the measure which I trust they will shortly pass into the law of the land, will, I am sure, form an important era in the history of the Indian tariff; and although the effect upon the finances is by no means serious, yet the interests involved are so weighty, that the subject demanded a review in all its bearings so far as it lay in my power to furnish it. And I trust your Excellency will allow me to congratulate you on having carried this important reform so near to its conclusion; swept away the last financial trace of the mutiny; and placed the tariff for the first time on anything approaching to a sound and consistent basis. I hope that even within the period of your own Viceroyalty, your Excellency will witness the success of this reform financially in the increase of trade, and still more, under the blessing of God, in developing the wealth and advancing the welfare and prosperity of India.'

The Hon'ble Mr. EDEN said—"There can, I think, be no doubt as to the soundness of the policy by which the Government has been guided in making the alterations of customs duty just announced by the Hon'ble Mr. Hope. Coming at a time when trade generally is slack and depressed, they give relief to nearly every branch of trade, either by a direct reduction of duty from 7½ to 5 per cent., or by a modification of the fixed valuation on which duty is assessable, or, in the case of exports, by their removal to the free list. In making these changes, I think that Government has gone quite as far as it safely can go for the present. Possibly the Manchester trade may not be satisfied and may consider that sufficient concession has not been made to their representations

regarding the injurious effect of the present duties on the cotton trade. But, as explained by the Hon'ble Mr. Hope and by the Tariff Committee, their expectations were not altogether reasonable and were not warranted by the actual condition of the trade. Still they have received very material aid by the reduction of the fixed valuation on cotton goods, which is equivalent to a surrender of £80,000 of the duties now levied on such goods, being 10 per cent. on the total collections on that head.

"It is not, however, necessary for me to follow the Hon'ble Mr. Hope and Sir W. Muir through the different changes which have been made; but with reference to what has been said by Sir W. Muir regarding the maintenance of the export duty on rice, I wish to make a few observations, as it is a subject in which I am particularly interested, and regarding which I have had special means of observation. As Sir W. Muir has observed, this export duty on rice has for some years past been very strongly attacked by those who think that all export duties are unsound in principle and indefensible. Fully admitting the principle as a general one, I have always maintained that there are special circumstances under which export duties are perfectly justifiable and are an excellent form of taxation. This may be either where we have a complete monopoly of the trade in the article in foreign markets, or where, as in the case of the rice trade, there are special circumstances connected with its production which render the duty innocuous while it at the same time yields a very large revenue. The duty on rice comes under this last condition, and I think I shall be able to show by incontestable figures that the foreign rice trade is in a singularly prosperous condition, and that it is developing and progressing in a degree which is almost without precedent in any branch of the export trade.

"In taking figures, it will be best to confine my remarks to what are called the rice ports, that is to say, the ports of Burma, which have really almost a monopoly of the trade with Europe in the cheap and common kinds of rice. Bengal is affected by a number of considerations which do not affect the Burma trade, and exports a great deal of superior rice on which the duty falls very lightly. Not many years ago the advocates of the abolition of the export duty on rice brought great pressure to bear on Government, and by declaring that the Burma trade was declining in favour of the trade of Siam and Cochin China, very nearly succeeded in making Government sacrifice the important revenue which these duties afford. How far they were from being justified in their apprehensions will be apparent from the following figures. The duty on rice was raised in 1867; the amount exported in the two years before this rise of duty was—in 1865, 380,000 tons, in 1866, 349,000 tons. While in 1872 the export under the duty had risen to 660,000 tons, in 1874 it was 760,000 tons, up to the latter part of July of the current year it has reached 600,000, while there are between 200,000 and 300,000 tons remaining to be shipped. The total surplus crop for this year is not much less than 900,000 tons, or nearly treble the export which took place before the duty was raised, and if this is all shipped, as I believe the bulk of it will be

to foreign ports, it represents a revenue of £450,000, or nearly half a million, and it is this that the Government of India is asked to surrender for the sake of supporting a theory.

"In 1872, the Government of India invited from the Local Governments an expression of opinion on this subject. In replying to this call, the Government of Madras, while objecting to the duty as a matter of principle, admitted that 'the general opinion seems to be that the duty exercises no appreciable influence on the trade,' —a view which is completely borne out by the return of rice exports from Madras. In the Lieutenant Governor of Bengal's reply it was said that 'the export of rice keeps up pretty steadily, though it of course varies with the harvests and the price of grain in Bengal and Europe. The rice export flourishes and improves, notwithstanding the small duty it has to bear. Almost every one of the reporting officers says that no ryot, landholder, or dealer in the interior of the country, even knows of the existence of the duty. So far, then, as Bengal is concerned, the Lieutenant-Governor does not consider that the rice duty should be the first tax for reduction or abolition.' The Chief Commissioner of Burma strongly upheld the continuance of the duties on the ground of the enormous development of the trade and the peculiar circumstances of Burma. He said—

"'It is quite clear from this that the anticipations of those opposed to the imposition of these rice duties have in no way been fulfilled. It has been said that we could never compete, weighted as we are, with Saigon and Bangkok, the rice of which ports is subjected to no duties. The results, on the contrary, show that they are quite unable to compete with us, and that they have been beaten altogether out of the European markets. Indeed, the rice of those countries would never have entered the European market, had it not been that there was in 1868 a very large harvest in China, and the home-supply of that country was such as to make the foreign rice a drug in the market. Under these circumstances, Saigon and Bangkok had no other course but to ship to Europe; this they did and were supposed to have become dangerous competitors, though, after all, the quantity they shipped to Europe was very insignificant, Bangkok sending in 1869, 53,000 tons, Saigon, 31,260 tons, a very small export compared with the 550,000 tons which Burma is sending this season. The experimental export from Saigon and Bangkok, however, was a failure; their rice did not suit the European market and fetched £1 to £2 per ton less than the Burma rice; and, as a natural consequence, as soon as the rice market in China resumed its normal condition, the exports from Saigon and Bangkok ceased, and the whole trade again fell into the hands of Burma. It must be prominently kept in view that the natural ports of supply for China are Saigon and Bangkok, the natural ports of export to Europe are the Burma ports. It may be taken as an undeniable fact that so long as the rice supply of Siam and Cochin China are not capable of meeting the wants of China, we shall be called upon to make good the deficiency; whenever they are capable of meeting this demand, no rice will go from this to the East. On the other hand, so long as those ports can obtain

a market in the East, they will not endeavour to compete with Burma in the European market.'

"This view of the little danger to be apprehended from the competition of the Eastern ports with Burma, has been fully confirmed by the returns of subsequent years. Even in 1874, when Burma was called upon to supply rice in large quantities to meet the Bengal famine and when prices were high, Saigon only sent to Europe 14,000 tons, while Bangkok sent 3,000 tons. During the first half of the current year, while Burma has exported 600,000 tons, Saigon has sent none to Europe, and Bangkok under 3,000 tons. In the same letter the Chief Commissioner showed that, owing to the keen competition in the rice trade the merchants gave to the producers the full amount which European quotations enabled them to give, and that if the duty was taken off, it would not in any way affect the price to the consumer, but would be added to the price given to the producer. Competition with foreign markets therefore was not affected by the duty, which fell wholly on the producer. The opinions of some of the leading rice merchants were quoted. One merchant said: 'At the present moment if the rice duty were remitted, I do not think it would affect the gross cost of rice intended for the European market.' Another said that the duty had not affected the trade: "In fact, in spite of the heavy export duties the trade has steadily gone on developing and increasing, and the cultivation of paddy seems to be extremely profitable to the cultivators, who are yearly increasing their cultivation. The export duty falls exclusively on the cultivators. A third merchant said that he believed that the duty falls entirely on the producer, in fact, the duty may be regarded as an indirect tax on the grower. And he goes on to say that 'were the duty repealed to-morrow, the price of paddy would immediately advance proportionately, thus benefiting the producer entirely and not even in the slightest the shipper.' Thus clearly those interested in the trade do not agree with those who maintain that because export duties are wrong as a general princple, therefore their continuance must strangle the trade.

"It has been shown that the duty falls on the producers, the real test as to whether this is mischievous is the extent to which it has hindered production. Now the amount of land under rice cultivation in British Burma in 1870 71 was 1,709,490 acres, while in 1873-74 it had run up to 2,061,568 acres, an extraordinary increase when we recollect that the agricultural population of the country is only 1¼ million, and that therefore under ordinary circumstances and with normal profits the cultivation of new land would be a matter of time. In the one year for which we have the latest returns, 1873-74, the increase of cultivation was 206,578 acres. In the face of these facts it is quite impossible to maintain that production has been impeded by the duty. The ground upon which the maintenance of the rice duty has always been advocated by the authorities in Burma is, that it does fall exclusively on the producer, and that it is therefore an admirable way of supplementing the land-revenue. It is most important to keep the land-revenue as light as possible. Burma is peculiarly situated; it has a vast

territory but a scanty population; it is however surrounded by Foreign States from which we desire to draw the surplus population, and we have hitherto been most successful, but this can only be done by placing on the land a very light assessment, and supplementing it by a rice duty which the people pay without knowing anything about it. To make our revenue system compare favourably with the system of taxation in the Native States from which we draw our immigrants, we must keep our taxation out of sight as much as possible.

"I trust that I have succeeded in showing that the rice duty has not injuriously affected the trade or the producer, that if it were surrendered it would inflict a serious injury on the revenues of the country with absolutely no corresponding advantage to compensate for the sacrifice, and that the result would be sooner or later that we should have to substitute some offensive and objectionable tax for one to which no one has raised the slightest practical objection and which is collected in the manner most in accordance with the feelings of the people."

His Excellency the PRESIDENT said—"Mr. Hope has so clearly put before us the reasons which induced the Government to appoint a Committee to revise the Indian Customs Tariff, the recommendations of the Committee, the extension that the Government has been able to give to those recommendations, and the financial effect of the Bill which he has introduced, that I have little more to say upon the Bill itself than to express my cordial concurrence in the thanks which Sir William Muir has tendered on the part of the Government to the Committee, and especially to Mr. Hope himself both for his services as a Member of the Committee, and for having accepted the task, which he has so ably performed to-day, of explaining the subject to the Council.

"Without dwelling upon details that have already been fully discussed, I desire to say a few words upon the general considerations which govern the Customs duties of India.

"The Government of India possesses the advantage of being closely associated with the Government of England—a Government which has taken the lead in adopting and developing the principles of free trade; and we must expect to see our financial policy judged by a comparison with that of England—judged, that is to say, by the highest standard in the world.

"Indian statesmen have always acknowledged the principles of recent English financial legislation to be sound, although owing to differences between the two countries it

has been impossible to carry them out as completely in India as in England. Indian statesmen have never regarded Customs duties as desirable for the purpose of protecting the products or manufactures of India. Mr. Wilson, Mr. Laing, Sir Charles Trevelyan, Mr. Massey, and Sir Richard Temple have all been thorough free traders. In India, equally as in England, protection has been regarded as an exploded doctrine, contrary to the general interests of the country which imposes protective duties. In India, equally as in England, the doctrine has long since been abandoned that the mother-country should favour colonies or foreign possessions by Customs tariffs or navigation laws; as well as the corresponding doctrine that colonies and foreign possessions should adopt Customs tariffs or other financial measures which favour the mother-country against the interests of the colony.

"At the time of the American War, Sir Charles Wood, who was then Secretary of State for India, was pressed to take certain measures for increasing the export of raw cotton from India to England. 'Whatever,' he said, 'is for the 'real interests of India, I will do, and do willingly, but no 'more.' His position was never challenged; and in all financial questions the true interest of the people of India is the only consideration which the Government of India has to regard.

"The general principles, then, which should guide us are agreed upon both here and at home; and, if we examine our Customs tariff by the light of those principles, we must frankly confess that there is much to amend.

"A considerable revenue has hitherto been raised by export duties upon articles of Indian produce which are subject to the competition of articles produced in other countries, and there exists also what I can only call the monstrosity of a duty upon the export of Indian cotton manufactures. Such duties are of course altogether inconsistent with free trade. Sir William Muir has told us that they have only been retained in consequence of the necessity of the case; that many have been abolished from time to time; and that an intention has frequently been expressed to abolish the remainder as soon as the condition of the finances would admit of it. The measure which I hope will to-day be passed into law is a very substantial advance in this direc-

tion. Grain, seeds, oils, spices, hides, and cotton manufactures will be freed from export duty, and only three articles of export—rice, indigo, and shell-lac—will hereafter be taxable.

"Although our duties upon imports are not so open to objection as those upon exports, much still remains to be done before our import tariff can be regarded with satisfaction. If the English and the Indian tariffs are compared, it will be found that in England Customs duties are imposed on a few main articles of consumption—such as tea, coffee, sugar, and wine which cannot be produced in England,—tobacco whose production is prohibited—and spirits upon which an equivalent Excise duty is imposed. The reason why such simplicity has been found practicable in the English tariff is that the wealth of the country has sufficiently increased to admit of a large revenue being derived from a few articles; and, moreover, that some of the principal articles of consumption in England are the products of tropical countries, and cannot be produced in England.

"It is only, however, under the most favourable external circumstances, after the lapse of many years, and a great progress in education and wealth, that this result has been achieved in England: it has indeed been for the most part brought about within my own Parliamentary recollection. No other nation in the world has as yet been able to come up to the English standard, on account either of disadvantages of position or of the predominance of unsound doctrines of finance.

"In India we cannot hope as yet to arrive at so simple a tariff upon imports. The reason is that India is a far poorer country than England, and therefore we cannot obtain a large Customs revenue upon a few articles, and are obliged to draw a larger number within our net. Moreover, India is a country which possesses, either in existence or in embryo, the means of supplying all the necessaries, and many of the luxuries of life. Indeed, with the exception of wines and some classes of spirits, there is hardly any article imported from abroad which could not be produced in India; and, in order to obtain any substantial revenue from duties on imports, we are forced to tax articles which may be, and many of which actually are, produced in India; and so far our im-

port duties, although low in amount and imposed for revenue purposes only, may have had some protective effect.

"The theoretical conclusion is obvious—that, in order to bring our tariff into absolute conformity with the latest development of English financial legislation, all import duties, excepting those on the few articles which India cannot produce, or upon which an equivalent Excise duty can be put, should be abolished, and other means should be found of raising the revenue which would be sacrificed.

"But I agree with Sir William Muir that the practical conclusion is entirely the reverse. India is a country in which there is but little choice of new sources of taxation: it would be difficult to replace a large amount of revenue excepting by an Excise duty on tobacco or by some kind of direct taxation. I am satisfied that such a change would not be desirable even in a financial point of view. The army of tax-gatherers, on low pay, which would be let loose over the country to collect a new Excise, would probably involve a larger charge to the Government than the cost of collecting the Customs duties; and, what is of more importance, by the imposition of a new Excise duty or of direct taxation under the best arrangements that could be made to levy either, the people of India would, in my opinion, have to pay a larger sum than they would gain by the reduced cost of the articles which would be affected by the abolition of our Customs duties.

"But this is not all. I have no hesitation in asserting that the political evil of giving up our Customs duties, or a large part of them, and of imposing fresh taxes in their place, would be great. Whatever may be the objections to Customs duties, they possess the advantages of being collected easily and paid without pressure. These advantages are of peculiar importance in India, where new taxes are particularly liable to occasion popular discontent. To substitute direct taxes or new Excise duties for the Customs duties which are now imposed upon foreign goods, seems to me to be a policy which would be contrary to the interests of the people of India, and which no statesman with a knowledge of India and a sense of responsibility could be found to propose.

"Under these circumstances successive Governments have done all that was feasible. From time to time, as Sir

William Muir has pointed out, articles of importance to the development of the resources of India—such as machinery and iron—have either been entirely relieved from duty, or the duty has been reduced to a very low amount. We propose now, leaving all exceptionally low duties as they stand, to reduce the present general rate of 7½ per cent. *ad valorem* upon imports to the old rate of 5 per cent.,—a rate imposed entirely for purposes of revenue, and which cannot be fairly described as protective.

"I need not detain the Council with many observations upon the effect of the import duty upon cotton goods after the exhaustive manner in which Mr. Hope has dealt with that subject. Indeed the general remarks I have already made upon our tariff are sufficient to show that we could not give up so large an item of revenue as the import duty on those goods, which brings us in more than £800,000 a year. It is to be observed that, while we are only now able to reduce our general rate of import duty from 7½ to 5 per cent., the latter rate has been adopted since the year 1862 for cotton goods, while cotton twist has been charged with a duty of only 3½ per cent. Mr. Hope has shown that the competition of the Indian manufactures is confined, owing to the inferior quality of the raw cotton produced in India, to the lower classes of goods which form but a small part of the whole trade.

"It is difficult to draw a perfectly accurate comparison between the imports of cotton goods over a series of years owing to alterations in the tariff valuations. The annual statement of Trade and Navigation furnishes the following figures :—

"In the three years from 1859-60 to 1861-62 the average annual value of the imports of cotton twist, yarn, and piece-goods was in round numbers £11,000,000.

"In the four years from 1862-63 to 1865-66 the average annual value was £12,150,000.

"It will be remembered that the duty was reduced in 1862, and the tariff valuations were raised in 1864; but the high price of cotton goods which prevailed owing to the American War must have had a prejudicial effect upon imports.

"I omit the financial year 1866-67, as it only embraces 11 months.

"In the four years from 1867-68 to 1870-71 the average annual value was £17,966,000.

"In the four years from 1871-72 to 1874-75 the average annual value was about the same—that is to say, £17,970,000; but the tariff valuations were lowered in 1869 by about 15 per cent.; and, if allowance be made for this, there would be an increase of about a quarter of a million over the average for the preceding period.

"In the year 1874-75 the value was £19,387,270, which is the highest return for any year of the period which I have reviewed. I know it is stated that the trade of last year was not prosperous; but looking at these figures together, and making every necessary allowance, I can see nothing in them to lead us to suppose that the demand in India for English cotton manufactures has diminished or is likely to diminish.

"On the contrary, it is more probable that as the demand for English cotton manufactures has hitherto steadily progressed, notwithstanding the competition which has always existed in the lower classes of goods from native hand-loom weavers, so it will continue to progress, although the lower classes of goods may in future be produced in the Indian manufactories cheaper and better than they have been by hand-looms.

"While, however, for the reasons given by Mr. Hope and Sir William Muir we see no reason for remitting the duty, we have gladly given substantial relief to the trade in cotton goods by a reduction of their tariff valuation. We have preferred the lower valuation recommended by the minority, and relief to the extent of no less than £88,000 per annum, as compared with the duty paid last year, will be given to the imports of cotton manufactures.

"The only increase of duties which we propose, putting aside some minor items, is to raise the import duty upon spirits and wine. We think that wine may fairly bear a moderate increase, and spirits are undoubtedly a legitimate subject for increased taxation. The Excise duty on spirits manufactured in India will as far as possible be raised in the same proportion as the Customs duty on imported spirits. The principle by which the Government is guided in the taxation of spirits is exactly the reverse of that which is followed in regard to other imports. The general principle

is to impose low duties, and to rely upon increased consumption for an expansion of revenue. In dealing with spirits, the principle is to impose as high a duty, whether by way of Customs or Excise, as can be levied without being defeated by smuggling or illicit manufacture.

"Sir William Muir, who has especial charge of our finances, has shown that we need not apprehend any disturbance of the estimates of the current year from the alterations in the tariff which we propose to make He has, moreover, given us good reasons to anticipate that the relief we are about to give to trade will involve no ultimate loss to the revenue. For my own part, taking into consideration the indirect, as well as the direct, advantages to the revenue which will be derived from the proposed measures, I believe that they will prove financially successful. I have therefore no hesitation in recommending them to the approval of the Council.

"Shortly stated, they are as follows:—

Export duties will be abolished which last year produced a revenue of £173,000.

Import duties will be reduced which last year produced a revenue of £173,000.

Import duties will be imposed which are estimated to produce a revenue of £100,000.

The tariff valuations will be revised at a net loss to the revenue of £62,000.

The whole net relief calculated upon the Customs receipts of last year will be £308,000.

"Notwithstanding this, the Customs revenue for the financial year 1875-76 is not expected to fall short of the estimate by more than £70,000 for reasons which have been fully explained to us. The result in future years depends upon the correctness or otherwise of our anticipations that the loss will be speedily met by a substantial increase of other sources of revenue.

"I do not dare to borrow the proud metaphor with which Mr. Gladstone illustrated a policy similiar in character, but on a far grander scale than that which we propose for the abolition and reduction of Customs duties. He likened it to the tree of golden leaves described by Virgil; from which his hero was ordered to pluck a branch, and on whose trunk

the moment one brach had been plucked another took its place. In the language of the Poet—

"Primo avulso non deficit alter
Aureus; et simili frondescit virga metallo."

"We in India, pursuing the same course at a respectful distance, may be allowed to draw upon the great scholar of the Latin Poet for a less ambitious metaphor, and to use the language in which Dante describes a similar legend—

"Qual egli scelse
L'umile pianta, cotal si rinacque
Subitamente là onde la svelse."
"As he selected every humble plant,
Wherever one was pluck'd another there
Resembling, straightway in its place arose."

"We believe that the humble plant we are about to pluck will, if not at once, assuredly ere long, be replaced by a healthy and vigorous offspring.

"I am glad to embrace this opportunity of making some observations upon the general condition of the finances of India.

"During the last three years it has not been necessary for the Government to propose any fresh taxes; and, consequently, under the provisions of the Statute by which this Council is governed, there has been no opportunity for the Financial Member of Council to make the Budget statement which, in former years, under less fortunate circumstances, used to be looked for with so much anxiety. I do not regret that the necessity for annual budget discussions has ceased to exist. On the contrary, I look back with satisfaction to the fact that no fresh taxes have been imposed during the past three years; and I agree with the high authorities who hold that the annual discussions were open to the objection of raising apprehensions of additional taxation, or at least of leading the public to expect changes every year in the financial arrangements of the State. Such changes in England are well understood and regarded without apprehension, but in India they are liable to be exaggerated and to disturb the minds of the people. There are none of the constitutional reasons for annual discussions which exist in England, and the consideration of financial measures by this Council only when the necessity for them arises is, in my opinion, both more in accordance with our

functions, and more calculated to maintain the stability of Indian finance than such annual discussions.

"While, however, there have been no annual budget statements in this Council for the last three years, there has been no concealment as to the state of our finances. The Government of India has always pursued the wise course of giving the fullest publicity to everything relating to the financial condition of the State, and we publish with the most ample explanations our annual estimates and accounts, together with every other information which bears upon trade and finance.

"In order to place before the Council, as clearly as I can, the present financial condition of India, I will take the statistics of the four last financial years, beginning with the year 1871-72, and ending with the year 1874-75. For the first three years we have the final accounts, and for the last we have what are called the 'Regular Estimates,' which usually approach very closely to the actual results. I will first compare the ordinary revenue of each year with the ordinary expenditure, omitting the charge which we have had to defray on account of the Bengal famine, and omitting also the expenditure which has been incurred in the construction of rail-roads and irrigation works, which, in the accounts, are classed as 'Extraordinary.'

"The revenue exceeded the expenditure in the year 1871-72 by £3,124,177; in the year 1872-73 by £1,765,672; in the year 1873-74 by £2,071,937; and in 1874-75 it is estimated to exceed the expenditure by £1,889,000. In the four years, therefore, there appears upon the face of the account to have been a surplus of revenue over expenditure of no less than £8,850,786.

"These figures, however, present the account in rather too favourable a light. Certain deductions, with the reasons for which I need not trouble the Council, should be made from the revenue in order to show the correct balance between income and expenditure. I calculate these deductions to amount in the four years to £1,738,253, but, after making them, the surplus still amounts to the goodly sum of £7,112,533.

"The expenditure upon famine relief in 1873-74 was £3,864,673, and the estimated expenditure for 1874-75 is

£2,442,000, giving a total of £6,306,673. After charging the whole of this expenditure against the ordinary revenue of the four years, there remains a surplus of £805,860. I am informed that the accounts for 1874-75 will probably show a larger increase than usual over the Regular Estimate, and we may confidently anticipate that, after defraying the famine charges, there will remain a surplus of revenue over expenditure in the four years of not less than a million sterling.

"In a Resolution of the Government of India last year we expressed our opinion that, 'besides a fair surplus of income over ordinary expenditure, such a margin should be provided as would constitute a reasonable provision for meeting occasional expenditure upon famines.' The financial history of the last four years shows that such a margin has been amply provided. We have met a very large expenditure for famine relief out of the ordinary revenue of four years, with a substantial balance besides. It may interest the Council to know that when a calamity of the same kind fell upon Great Britain, in consequence of the failure of the potato crop of Ireland, only two millions out of a total expenditure of about ten millions was defrayed from ordinary sources of revenue, the remainder having been raised by loan and not appearing, according to the best information I can obtain, in the accounts of ordinary income and expenditure.

"In several despatches which successive Secretaries of State have addressed to the Government of India on the subject of finance, a desire has been expressed—more I think in the nature of a hope than of a confident expectation—that the Indian finances might show an annual surplus of more than £500,000. It will be seen that our surplus in four years has amounted to £7,000,000, or more than three times the sum which the Home Government has desired.

"This satisfactory result, moreover, has been accompanied by a considerable remission of taxation. In the year 1873, the Income tax, which during the preceding two years had produced a net sum of £1,362,570, was allowed to lapse. The Southern Customs Line, which drew its long and obstructive length of 800 miles across Central India, has been abolished at a considerable sacrifice of the salt revenue;

and yet in each of the last two years we have realised a very substantial surplus.

"Our cash account for the four years we are examining is given in a statement which is in the hands of Members of Council.

"The cash balance in India and England stood on the 1st of April 1871 at £20,124,715, and it was estimated to stand on the 31st March 1875 at £18,386,198. We have spent in the four years on public Works Extraordinary £11,401,351, the balances of the Guaranteed Railway Companies have been diminished by £1,212,466, a disbursement which is of the nature of a reduction of debt, and we have lent to Native States, Municipalities, &c., £1,570,231, which we shall eventually recover, and which in the meantime has been of great benefit to those whom we have assisted. These disbursements, amounting together to £12,613,817, have been met as follows:—By diminution of cash balances, £1,738,517; by surplus of revenue over expenditure, £805,860; by excess of receipts over disbursements on the sundry accounts which are embraced in our cash transactions, £2,103,007; and by net increase of debt, £9,536,664,—an increase which is considerably less than the sum spent upon Public Works Extraordinary.

"The terms upon which loans have been raised in India and England in 1874, and in India in June last, are as follows:—

"In 1874—Five millions sterling were borrowed in England at £101-7-11¼ for £100 stock. Two and a half crore of rupees were borrowed in India at Rs. 102-12 2 for Rs. 100 stock.

"In 1875—Two and a half crore of rupees were borrowed in India at Rs. 102-3-8 for Rs. 100 stock.

"These terms afford a proof of the high estimation which is entertained of the credit of India in the money market, both here and in England.

"The cash balances in India were estimated to amount at the beginning of the present financial year to £15,700,042. This is held by some to be too high an amount, and the

business of the Government could certainly be transacted with lower balances; but I do not consider them to be excessive, considering the magnitude of the liabilities to which the Government of India is exposed, and the difficulty that would be found in suddenly increasing our means in case of need. India is in this respect very differently situated from England. London is the centre of the banking business of the world, and in England the Chancellor of the Exchequer can, if he pleases, safely reduce his cash balance to the amount which is just sufficient to meet the business of the day; but the money market of India is very limited, and it would be hazardous to rely upon it for temporary assistance if a sudden demand should come upon the State, particularly as such a demand would almost certainly occur at a time when there would be a pressure for accommodation on the part of the public. The condition of the Calcutta money market in the beginning of 1873, when considerable funds had to be suddenly supplied to pay for rice from Burma and elsewhere, sufficiently indicated the risk which would be run by reducing our cash balances too low. I entertain a strong opinion that a substantial cash balance over and above what is absolutely required, although it involves a considerable annual cost from loss of interest, is essential to the security of the finances of India.

"The Council will, I think, desire to consider to what causes the satisfactory condition of our finances is to be attributed. First I will observe that great improvements have been effected of late years in our estimates and accounts. Unless estimates are carefully framed and accounts promptly and accurately rendered, a Government is liable to fall into difficulties without any warning. Nothing can be better than our present system of estimates and accounts, and I am sure Sir Richard Temple will confirm me when I add that the chief credit for this improvement is due to Mr. Chapman, the Financial Secretary to Government.

"The sound condition of our finances, in my opinion mainly results, on the one hand, from the gradual increase of the revenue in consequence of the increased wealth and prosperity of the country, and, on the other, from the exercise of strict economy in every department of the State. Both

these subjects are so important that it is worth while to illustrate them by a few figures.

"We have sources of revenue which mainly depend upon circumstances other than the progress of the wealth and prosperity of India. Our opium receipts depend upon the supply of the drug and the demand for it in China. Although our land-revenue, taking a term of years, depends upon the increased wealth of the country, yet the increase arises from time to time as existing settlements expire, and it would be difficult without going into lengthy explanations to exhibit any comparative statement that would be of value for my present purpose. I will therefore confine myself to the revenue derived from Customs, Salt, Excise, and Stamps, all of which mainly depend upon the general prosperity of the country. I take the net receipts from these taxes since the year 1870-71, because alterations were made in 1869 in the Salt and Stamp Laws as well as in the tariff valuations, which would vitiate the comparison with former years.

"The average annual net receipts from Customs, Salt, Stamps and Excise in the three years from 1870-71 to 1872-73 amounted to £12,691,262 a year. In the year 1873-74 and 1874-75 the receipts rose to £13,035,857 a year. These figures exhibit an increase, in the last two as compared with the first three of the five years, of £350,000, and this increase has taken place notwithstanding some remissions of Salt and Customs duties.

"On the other side of the account we have to meet expenditure which depends but little upon the action of the Government of the day—for example, the interest of our debt, and the charge for superannuation and retired allowances. Taking the expenditure within the control of Government, namely, the cost of Civil Administration, Law and Justcie, Public Works, the Army, and the Marine Service, I find that the average annual expenditure for the three years 1867-68 to 1869-70 was £31,833,512; for the three years 1870-71 to 1872-73, £29,748,527; and for the two years 1873-74 and 1874-75, £29,331,793. The average annual expenditure upon these services during the last two years is therefore less by two millions and half than it was six years ago, and less by rather more than £400,000 than it was three years ago.

"These figures show that while, on the one hand, the

revenue steadily increases, although not at a very high rate, on the other, the expenditure has been carefully supervised by the Government.

"I can say this without scruple, because the result is mainly due to the attention which was paid to the control of expenditure while Lord Mayo was Viceroy, and it was the constant care of Sir Richard Temple during the time he filled the office of Financial Member of Council. The exertions of the Government have been cordially seconded by the several departments of the Government of India, by the Local Governments, and by all the officers concerned throughout India; and the thanks of the Government of India are due to them for their valuable co-operation.

"While such has been the result of the Imperial finance of the past four years, the Government have not neglected the subject of provincial taxation. In 1872 circulars were addressed to the different Local Governments, and the opinions of officers, both English and Native, were obtained respecting the effects of provincial and local taxation. The answers showed that there were at that time some taxes which were productive of discontent, and which might with advantage be discontinued. In the Madras and Bombay Presidencies the taxes to which most objection was then taken have been readily abandoned by the Local Governments. In the Central Provinces the Pandhari tax—a direct tax which extended over a very large number of people—has been greatly modified. The only new measure of provincial taxation which has since been carried into effect is the road cess in Bengal,—a proper and legitimate impost which, owing to the care which has been taken by Sir George Campbell and Sir Richard Temple to apply it gradually and cautiously to the different parts of the province, is being levied without difficulty, and applied to the advantage of the people who have to pay it.

"The Council will have observed that in the remarks which I have hitherto made I have only cursorily alluded to what is termed 'extraordinary' expenditure. This, however, is a part of our annual expenditure of great importance, a notice of which cannot be properly omitted in any review of the finances.

"I have seen it observed that we have in the last few years 'drifted back into a condition of chronic deficit,' and that

the expenditure upon railroads and irrigation works has greatly increased. This misconception may perhaps have arisen from the manner in which the account of our annual revenue and expenditure is published. What is called the 'extraordinary' expenditure is added to the ordinary expenditure of the year, and the result appears at the bottom of the account. Those who have made a study of the accounts are able to appreciate the real facts of the case, but they are not unlikely to be misunderstood by others who have not had time or opportunity for such a study. If the expenditure upon works such as railroads, which are of too great magnitude to be paid for altogether out of the ordinary resources of the Government, and which are in the nature of investments of capital, be added to the ordinary expenditure, the result must be a deficit. But expenditure upon such works belongs to an entirely different category from the ordinary expenditure of the State, and ought to be excluded in drawing a balance between income and expenditure for the practical purpose of showing the real surplus or deficit of the year.

"In England, works of this kind are carried out by private enterprise without the aid of the State; in India this has been found to be impossible. The works themselves are essentially reproductive, in the broadest sense of the term,—I mean that whether or no they may pay the full interest on the capital invested they certainly add to the general wealth of the country—and moreover, in my opinion, they will directly or indirectly recoup to the State the full interest on the capital expended in their construction. Whether the capital be raised by giving a guarantee by the State of a fixed rate of interest to private companies, as has been done in the case of what are termed 'guaranteed railroads,' or the capital be borrowed by the State and the works carried on by the agency of the officers of Government, is, so far as the finances are concerned, one and the same thing.

"In order, therefore, to institute a correct comparison between the expenditure on such works in recent years, and the expenditure which formerly prevailed, it is necessary to add the expenditure of guranteed rail-road capital to the direct expenditure by the State. I have had a return prepared showing the sum spent annually upon railroads and irrigation works, both from guaranteed capital, and directly

by the State, and I will give the Council the results shown by that return. In the four years from 1867-68 to 1870-71 the sum of £25,330,518 was spent by Government and from guaranteed capital together, which gives an average annual expenditure of £6,332,629. In the four years from 1871-72 to 1874-75 there was spent from similar sources a sum of £16,647,871, which gives an average annual expenditure of £4,161,967. The annual rate of expenditure therefore during the last four years has been less by more than two millions than that of the preceding four years.

"But it is of more consequence to consider whether the expenditure which has hitherto taken place has been wise; and whether, although its rate may be diminished, it is at the present time within the resources of the Government.

"The answer to the first question is supplied by the steady progress of the national wealth since the policy of pushing forward railways throughout India was adopted in the time of Lord Dalhousie, and by the sound and satisfactory condition of our finances. In reply to the question whether our present rate of expenditure is within our resources, I need hardly do more than remind the Council of the careful forecasts which have been published showing the calculations upon which the present rate of expenditure has been determined. We considered that, however advantageous the extension of railroads or irrigation works might be, it would not be right to carry them on at such a rate as would require the imposition of fresh taxes, and the rate of expenditure has therefore been based upon calculations showing that any additional interest for which we may be liable on account of money borrowed for the purpose of constructing railroads and canals will be met from increased receipts derived from works which have been, or will from time to time be, completed and brought into operation. The calculations originally made in 1873 were carefully checked this year, and the Government have no doubt of their substantial accuracy.

"I may observe, moreover, that we are now in a far better position than we have been at any former time in respect to our liability for the completion of railroads and irrigation works.

"So long as the main lines of communication—such as the East Indian and the Great Indian Peninsula Railways—were in progress, a very large liability rested upon

the Government for their completion; a liability which, as those railroads were constructed by guaranteed companies, could not be set aside whatever financial exigencies might arise. Now that the principal lines of communication are completed and the works under construction are of a more limited character, this liability for the future expenditure necessary to complete works under construction is considerably diminished. The rate of progress, moreover, is now almost entirely at the command of Government, because the works are mainly constructed directly by the State, instead of through the agency of guaranteed companies. I believe that in the course of a few years our liability will never at any time much exceed the annual sum which is appropriated to the construction of such works. Thus, in the case of a failure of any great branch of our revenue, or if other calls, such as those of war, should fall upon the Government, we should be able within a very moderate time to contract our expenditure, without subjecting the country to the loss which would be occasioned by abandoning important works before they are brought into remunerative operation.

"I have one more remark to make upon this subject Although the Government, rightly in my opinion, preferred the more expensive mode of construction of the Indus Valley railroad in order to complete a very important trunk line upon the broad gauge, we feel that the utmost possible economy should be observed in the construction of public works in India. We are therefore carrying out the narrow gauge system of railroads for the minor lines of communication; we reconsidered a few years ago the schemes of irrigation works which were then before us, and abandoned, for a time at any rate, works which were projected at an estimated cost of not much less than 9 millions sterling. We have recently, in discussing the projected irrigation works for Behar, impressed upon the Government of Bengal, and upon the Engineer Officers who were engaged in making the plans, the necessity of carefully considering certain minor works which will probably be sufficient for the purposes in view, in lieu of more ambitious schemes which, however creditable they may be to their constructors, are not likely to be remunerative, and indeed are not unfrequently accompanied by

serious drawbacks to the advantages which irrigation undoubtedly confers upon most parts of the country.

"The general conclusion to be drawn from a review of the present state of finances of India is highly encouraging. It is dangerous to anticipate the future; but with one exception I see no reason to doubt that, so long as a wise economy prevails, the prosperous condition of Indian finances will be maintained. The exception to which I allude is the effect of the recent fall in the value of silver. This subject has been alluded to by Sir William Muir, and comes home to most of the English residents in India. Every one who has to make a remittance to England, that is to say who has to make a payment in gold while he receives his income in silver, has to pay more silver, or in other words a larger portion of his income, than he had to pay when the value of silver was higher.

"The Government of India is one of the best abused Governments in the world, and I have seen it asserted that his fall in the value of silver is our fault. This accusation reminds me of the witty lines—

> "Who makes the quartern loaf and Luddites rise?
> Who fills the butchers' shops with large blue flies?"

"I need hardly say that the Government is not a whit more responsible for the fall in silver than Buonaparte was for the flies. Governments can do much—when they interfere with trade they usually do much harm—but they are powerless to control the value of any article in the markets of the world. What the cause of the fall in silver has been, and how long it may continue, is not easy to say. It may be produced mainly by the change in the currency of some European Nations from silver to gold, which has thrown a large quantity of silver into the market. It may arise from the increased production of silver. As long as it lasts, however, the Government of India suffers in common with private individuals. The Government of India has to make large fixed payments in gold out of income received in silver, and a fall in the value of silver raises the cost of those payments. This really governs the item, 'loss by exchange' which has of late years figured so heavily on the wrong side of our accounts; for whatever temporary fluctuations in the rate of exchange may be produced by the balance of trade between India and other countries (and the measure which I hope we shall pass to-day by encouraging the export trade may have a tempo-

rary effect upon the rate of exchange, and, so far, assist our finances), these fixed payments in gold must in the long run constitute a lighter or heavier charge upon the Indian finances in proportion to the rise or fall in the value of silver.

"The net sum provided in the estimates of the current year for loss by exchange amounts to more than a million sterling, and if the value of silver should continue to fall, this charge will be considerably increased. But I do not think that this liability seriously affects at present the reasonable prospect we have of a substantial surplus in future, provided—and I cannot repeat this too often—a careful check is kept upon increases of expenditure.

"The condition of the finances of a country greatly depends upon the state of its trade, and the information which Sir William Muir has given us of the progress of the trade of India is highly encouraging.

"Mr. Wilson, who came to India with a long financial experience, in his budget statement of 1860, made at a time of gloom, expressed a sanguine view of the future finances of India; and brought forward, as the principal reason for his favourable anticipations, statistics showing the progress of the Indian foreign trade during the preceding five-and-twenty years. The most recent returns, when Mr. Wilson made his celebrated budget speech, were those for the year 1858-59. Fifteen years have passed between that year and the year 1873-74, which is the last for which we have complete Trade and Navigation accounts; and it is not without interest to examine how far Mr. Wilson's hopes have been realized.

"The average annual value of the foreign trade of India, including imports and exports of merchandise and treasure, for the five years ending with 1838-39, was £18,638,552.

"For the five years ending with 1858-59, the average annual value rose to £52,700,013.

"The increase was £34,061,461, or at the rate of about £1,700,000 a year for the 20 intervening years, and these were the results which Mr. Wilson stated.

"For the five years ending with 1873-74, the value of our foreign trade has further risen to an annual average of £95,077,948.

"This increase, as compared with the five years ending with 1858-59, was £45,646,103, or at the rate of about £3,000,000 a year for the 15 intervening years. The rate of

increase has therefore far exceeded that which Mr. Wilson regarded with so much satisfaction.

Individual years included in this period have shown considerable fluctuations. The extraordinary development of the export trade in raw cotton during the American War was followed by the usual re-action. The accidents of the seasons have affected both the produce of the principal Indian staples, and the quantity of them available for export. The lowering of the valuations of cotton goods and metals in 1869 by 15 per cent. has considerably affected the returns, and the imports of railway materials have varied according to the requirements of the State. But the broad result drawn from averages of years, which is the only safe way of making a calculation of the kind, has amply justified Mr. Wilson's anticipations, and proved the soundness of his observation, that let cultivation be extended ever so much, there would be no fear of the want of a market for the produce of the Indian soil.

"Of late years, since the old Indian manufactures decayed owing to competition coupled with the heavy import duties imposed in old times upon their import into England for the purpose of portecting English manufactures, the principal exports of India have been raw products; but I agree with Sir William Muir that there are signs that Indian manufactures may again before long take their place in the market of the world.

"The conclusions which I believe may safely be drawn from the considerations which naturally present themselves in discussing the subject before us are that the trade of India is steadily increasing; that our finances are sound, but that their stability mainly depends upon the exercise of strict economy in our expenditure; and that the relief from taxation that we propose is both safe and wise. For, to adapt the weighty words of our greatest English financier, we abolish restrictions upon the application of capital and the exercise of industry and skill, and the principal object of our policy is to give full and free scope to the energies of the people of India."

The Motion was put and agreed to.

The Hon'ble Mr. HOPE moved that the Bill be passed.

The Motion was put and agreed to.

ABSTRACT of the Receipts and Disbursements of the Government of India in India and England from 1871-72 to 1874-75.

RECEIPTS.

	£
Cash balance 1st April 1871	20,124,715
Surplus upon the ordinary account, 1871-75	805,860
Sundry accounts	2,103,007
Borrowed	9,536,664
	32,570,246

DISBURSEMENTS.

	£
Public Works Extraordinary	11,401,351
Guaranteed Railway Capital repaid	1,212,466
Loans to Native States, &c.	1,570,231
Cash balance 31st March 1875 (Regular Estimate)	18,386,198
	32,570,246

R. B. CHAPMAN,
Secretary to the Govt. of India.

Financial Department; Simla, 4th August, 1875.

STATEMENT showing the Expenditure of Guaranteed Railway Capital and upon Public Works Extraordinary in each year from 1861-62.

Year.	Guaranteed Railway Capital.	Public Works Extraordinary.	Total.
	£	£	£
1861-62	6,602,212	.....	6,602,212
1862-63	5,863,344	.....	5,863,344
1863-64	4,755,653	.....	4,755,653
1864-65	4,122,240	.....	4,122,240
1865-66	5,636,866	.....	5,636,866
1866-67 (11 months)	7,297,703	.....	7,297,703
1867-68	7,120,081	602,462	7,722,543

Year.	Guaranteed Railway Capital.	Public Works Extraordinary.	Total.
	£	£	£
1868-69	4,481,898	*836,073	5,317,971
1869-70	4,742,851	*2,612,663	7,355,514
1870-71	3,776,270	*1,158,220	4,934,490
1871-72	2,496,728	1,628,474	4,125,202
1872-73	477,245	2,184,569	2,661,814
1873 74	970,131	3,553,307	4,523,438
1874-75 (Regular Estimate)	1,390,467	*3,946,950	5,337,417

* These figures differ from the amounts charged in the Finance and Revenue Accounts by the sums that were paid in those years for the purchase of the Calcutta and South-Eastern Railway. These latter sums have been deducted, because they are included in the expenditure of Guaranteed Railway Capital, viz.:—

	1868-69.	1869-70.	1870-71.	1874-75.
	£	£	£	£
Public Works Extraordinary per Finance and Revenue Accounts..	1,370,613	2,599,614	1,167,810	4,035,000
Less for Calcutta and South-Eastern Railway.	534,540	—13,049	9,590	88,050
	836,073	2,612,663	1,158,220	3,946,950

R. B. CHAPMAN,
Secretary to the Govt. of India.

Financial Department; Simla, 4th August, 1875.

GOVERNMENT OF INDIA.

LEGISLATIVE DEPARTMENT.

The following Act of the Governor General of India in Council received the assent of His Excellency the Governor General on the 5th August 1875, and is hereby promulgated for general information :—

ACT No. XVI. OF 1875.

THE INDIAN TARIFF ACT, 1875.

CONTENTS :—

PREAMBLE.
SECTIONS.
1. Short title.
Commencement.
Local Extent.
2. Repeal of Acts and Notifications.
3. Saving clause.
4. Duties specified in Schedules to be levied.
5. Goods partially composed of dutiable articles.

6. Power to fix value of dutiable goods and to exempt from customs duties.
7. Power to make rules for ascertaining that imported spirit has been rendered unfit for human consumption.
8. Export of pepper from Cochin.
9. Export of opium.
10. Duties on goods crossing frontiers of Foreign European Settlements in Presidencies of Madras and Bombay.
11. Excise duty on spirit distilled in British India.
12. Amendment of Consolidated Customs Act, Sections 27, 57, 66, and 180.

SCHEDULE A.—IMPORT TARIFF.

SCHEDULE B.—EXPORT TARIFF.

An Act to amend the law relating to Customs Duties and for other purposes.

PREAMBLE.

WHEREAS it is expedient to amend the law relating to the duties of Customs on goods imported and exported by sea, and to restrict the export of opium, and to provide for the levy of duties on goods crossing the frontier of certain Foreign European Settlements in India and for fixing a maximum duty of excise on spirit manufactured in British India, and to amend the Consolidated Customs Act; It is hereby enacted as follows:—

Short title.

1. This Act may be called "The Indian Tariff Act, 1875:"

Commencement.

And it shall come into force on the passing thereof.

Local Extent.

This section and section twelve, clause three, apply to the whole of British India.

The rest of this Act extends to the whole of British India except Aden.

Repeal of Acts and Notifications.

2. Act No. XVIII. of 1870 (*to enable the Government of India to exempt goods from Customs duties*), Act No. XIII. of 1875 (*to consolidate and amend the law relating to Customs duties*), and all notifications under either of the said Acts are hereby repealed.

Saving clause.

3. Nothing herein contained affects Act No. VI. of 1873 (*to amend the law relating to the Transhipment of Goods imported by Steamer, and for other purposes*), or authorizes the levy of duties of customs on any article carried from one port in British India to another, except salt, salted fish, opium and spirit.

Duties specified in Schedules to be levied.

4. There shall be levied and collected, in every port to which this Act applies, the duties specified in Schedules A and B hereto annexed.

5. Goods not prohibited to be imported into or used in British India, whereof any article liable to duty under this Act forms a part or ingredient, shall be chargeable with the full duty which would be payable on such goods if they were entirely composed of such article, or, if composed of more than one article liable to duty, then with the full duty which would be payable on such goods if they were entirely composed of the article charged with the highest rate of duty.

Goods partially composed of dutiable articles.

6. The Governor General in Council may, from time to time, by notification in the *Gazette of India*,

Power to fix value of dutiable goods and to exempt from customs duties.

(*a*) fix for the purposes of this Act the value of any goods exported or imported by sea on which duties of customs are hereby imposed;

(*b*) exempt any goods imported or exported into or from British India, or into or from any specified port or place therein, from the whole or any part of the duties of customs to which they are liable under this Act or any other law for the time being in force; and

(*c*) cancel any such exemption.

7. The Local Government may from time to time prescribe rules for ascertaining and determining what spirit imported into British India shall be deemed to have been effectually and permanently rendered unfit for human consumption, so as to be subject only to an *ad valorem* duty of ten per cent. under Schedule A hereto annexed, and for causing such spirit to be so rendered, if necessary, by their own officers, before the duty of customs leviable thereon is levied, and at the expense of the person importing it.

Power to make rules for ascertaining that imported spirit has been rendered unfit for human consumption.

Such rules, on being published in the official *Gazette*, shall have the force of law; and whoever wilfully contravenes any such rule shall be liable to fine not exceeding five hundred rupees.

In the absence of any such rules, or if any dispute arises as to their applicability, the executive officer of highest rank in the department of customs in the port shall decide what spirit is subject only to the said *ad valorem* duty, and such decision shall be final.

8. On all pepper exported by sea from the port of Cochin there shall be levied such duty not exceeding nine rupees per khandy as the Governor of Fort Saint George in Council from time to time determines; and at the close of each year, or as soon thereafter as may be convenient, the Collector of Customs at the said port shall, after deducting the expenses of collection, pay the duty collected under this section to the Governments of Travancore and Cochin in such proportion and in such manner as the Governor of Fort Saint George in Council from time to time directs.

Export of Pepper from Cochin.

9. No opium shall be exported from any part of British India, unless—

Export of Opium.

(*a*) it is covered by a pass granted by an officer appointed in

this behalf by the Governor-General in Council or the Local Government; or

(*b*) it is exported under the said Act No. VI. of 1873, section seven; or

(*c*) such export is permitted under the power next hereinafter conferred:

The Governor General in Council may, from time to time, by notification in the *Gazette of India*,

(*d*) permit the export of opium from any part of British India on payment of such duty, or on such other terms, as the Governor General in Council thinks fit; and

(*e*) cancel such permission.

Duties on goods crossing frontiers of Foreign European Settlements in Presidencies of Madras and Bombay.

10. Duties of customs shall be levied on goods passing by land into or out of Foreign European Settlements situate on the line of coast within the limits of the Presidency of Fort Saint George or the Presidency of Bombay at the rates prescribed in the Schedules A and B hereto annexed.

Excise duty on spirit distilled in British India.

11. And whereas it is expedient that the duty of excise on spirit distilled in British India should bear a due proportion to the customs duty on spirit imported into British India, it is hereby further enacted as follows:—

Subject to any general rules or special orders which the Governor General in Council may from time to time make in this behalf, the Local Government may from time to time, by notification in the official *Gazette*, fix the duty of excise leviable on spirit manufactured in all or any of the distilleries situate in the territories under its administration, or in any part of such territories, at any rate not exceeding the rate fixed for imported spirit by Schedule A hereto annexed;

and all provisions now in force as to the levy of duty now chargeable on spirit shall apply to spirit upon which the duty declared under this section has not been paid.

Amendment of Consolidated Customs Act, sections 27, 57, 66, and 180.

12. And whereas it is expedient to amend the Consolidated Customs Act in manner hereinafter appearing, it is hereby further enacted as follows:—

Section twenty-seven of the Consolidated Customs Act shall be construed, as if, for the words "for which a specific value has not been fixed by the Local Government with the sanction of the Governor-General of India in Council," the following words and figures were substituted (namely) "for which a specific value is not fixed by or under the Indian Tariff Act, 1875;"

And the following proviso shall be added to section fifty-seven of the same Act (namely), "Provided also that where such goods are arms, ammunition, or military stores, they may be sold or otherwise disposed of at such place (whether within or without British

India) and in such manner as the Local Government may from time to time direct ;"

And section sixty-six of the same Act shall be construed as if for the words and figures "the value of which shall have been fixed under the provisions of section CLXXIX. of this Act," the following words and figures were substituted (namely) "for which a specific value has been fixed by or under the Indian Tariff Act, 1875 ;"

And section one hundred and eighty of the same Act shall be construed as if for the words "last preceding section" the following words and figures were substituted (namely) "Indian Tariff Act, 1875."

SCHEDULE A.

IMPORT TARIFF.

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
1	Apparel, including Haberdashery and Millinery, but excluding Boots, Shoes, and Hosiery	.....	*Ad valorem*	5 ℘ cent.
2	Arms, Ammunition, and Military Stores—			
	Fire-arms and parts thereof	.....	"	
	Gunpowder, common ...	lb.	0 5	10 ℘ cent.
	" sporting ...	"	1 0	
	All other sorts	.....	*Ad valorem*	
3	Brushes, all sorts	.....	"	
4	Building and Engineering Materials—			
	Asphalt	.....	"	
	Cements, all sorts	.....	"	
	Earthen-ware piping ...	.....	"	
5	Cabinet-ware and Furniture.	.....	"	5 ℘ cent.
6	Candles—			
	Paraffine	lb.	0 5	
	Spermaceti	"	0 8	
	Wax	"	1 0	
	All other sorts including composition	"	0 5	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
7	Canes, Ratans, articles made of Cane or Ratan, and Basket-work—			
	Canes, Malacca	Doz.	1 0	
	Ratans	Cwt.	7 0	
	All other sorts, except common bamboos, which are free	.....	*Ad valorem*	
8	Carriages and component parts thereof, except Railway Carriages and Trucks.	.....	„	
9	Chemical Products and Preparations—			
	Acid, Sulphuric	lb.	0 2	
	Alkali, Country (sajji khar)	Cwt.	2 0	
	Alum	„	4 0	
	Arsenic	„	25 0	
	„ China Mansil ...	„	16 0	
	Brimstone, flour		7 0	5 ℘ cent.
	„ roll		6 0	
	„ rough... ...	„	4 8	
	Copperas, green	„	3 0	
	Salammoniac	„	25 0	
	All other sorts	.....	*Ad valorem*	
10	Chinese and Japanese-ware, including Lacquered-ware, but excluding Earthenware, China and Porcelain.	.....	*Ad valorem*	
11	Clocks, Watches, and other Time-keepers	.....	„	
12	Coir and articles made of Coir—			
	Matting	.....	„	
	Yarn of all kinds... ...	Cwt.	9 0	
	Other articles made of coir, except cables and rope	.....	*Ad valorem*	
13	Coral, real	.....	„	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
14	Cordage and Rope made of any vegetable fibre except Cotton and Jute—			
	Coir cables, tarred ...	Cwt.	10 0	
	Coir rope	,,	10 0	
	Cordage, hemp, European.	,,	20 0	
	,, Manilla	,,	25 0	
	Twine, European, Sail ...	lb.	0 8	
	All other sorts	..	*Ad valorem*	
15	Cork and articles made of Cork—			
	Bottle-corks	Gross	1 8	
	Vial-corks	,,	0 8	
	All other sorts	...	*Ad valorem*	
16	Cotton and articles made of Cotton—			
	Cotton hosiery	...	,,	
	Cotton, raw, not the produce of Continental Asia or Ceylon	...	,,	
	Cotton rope	Cwt.	25 0	
	Country canvas	,,	50 0	
	Piece Goods—			5 ℘ cent.
	Grey—			
	Jacconets exceeding 10 by 10 to the quarter inch	lb.	0 12	
	Jacconets, other sorts ...	,,	0 10½	
	Mulls	,,	1 1	
	Printers	,,	0 10½	
	Shirtings and Long-cloths	,,	0 9	
	T. Cloths 18 reed and upwards, and Madapollams	,,	0 9½	
	T. Cloths under 18 reed, Jeans, Domestics, Sheetings, and Drills..	,,	0 8	
	Other sorts	...	*Ad valorem*	
	Sewing Thread—			
	Goa and Country ...	Cwt.	30 0	
	On reels or cards containing 100 yards each, and *pro rata* above and below* ...	Gross	3 0	
	White and coloured ...	lb.	1 0	

* Duty to be charged either on the mark or on the actual length.

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
16	Cotton and articles made of Cotton—*contd.*			
	Twist—			
	Mule—No. 15 and lower Nos.	lb.	0 5	
	Nos. 16 to 24 ...	,,	0 7	
	,, 25 to 32 ...	,,	0 8	
	,, 33 to 42 ...	,,	0 9½	
	,, 43 to 52 ...	,,	0 11	
	,, 53 to 60 ...	,,	0 12½	
	,, 61 to 70 ...	,,	0 14	
	,, 71 to 80 ...	,,	0 15	
	And so on, one anna to be added to the valuation per lb. for every count of ten, or part of a count of ten, above 80.			3½ ℘ cent.
	Water—No. 20 and lower Nos.	,,	0 8	
	Nos. 21 to 30...	,,	0 9½	
	,, 31 to 40...	,,	0 11½	
	,, 41 to 50...	,,	0 13	
	Above 50	,,	1 0	
	Twist, Orange, Red and other colours except Turkey Red* ...	,,	0 13	
	Twist, Turkey Red, all kinds*	,,	1 6	
	* Duty to be charged on the grey weight of the coloured yarn: when this is not ascertainable, the actual wharf weight, or invoice weight, to be taken.			
	Cotton Goods, all other sorts	...	*Ad valorem*	
17	Drugs and Medicines, except Opium—			
	Aloes, black	Cwt.	11 0	
	,, Socotra	,,	25 0	
	Assafœtida (hing) ...	,,	55 0	5 ℘ cent.
	,, coarse (hingra).	,,	10 0	
	Camphor, Bhimsaini (baras)	lb.	80 0	
	Camphor, refined, cake ...	Cwt.	65 0	
	,, crude, in powder.	,,	40 0	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
17	Drugs and Medicines, except Opium—*contd.*			
	Cassia lignea	Cwt.	38 0	
	Salep	,,	80 0	
	Senna leaves	,,	5 0	
	All other sorts, except Quinine which is free...	.....	*Ad valorem*	
18	Dyeing and Colouring Materials—			
	Aniline dyes—Magenta and Roseine	oz.	0 4	
	Cochineal	lb.	1 4	
	Gallnuts, Country, Myrabolam	Cwt.	4 0	
	,, Persian	,,	25 0	
	Madder or manjith ...	,,	12 0	
	Orchilla weed	,,	5 0	
	Sapan wood and root ...	,,	5 0	
	All other sorts	.....	*Ad valorem*	
19	Earthen-ware (except earthen-ware piping), China, China Clay and Porcelain	.....	,,	5 ℘ cent.
20	Fireworks—			
	China	Box of 133⅓ lb.	30 0	
	All other sorts	.....	*Ad valorem*	
21	Flax and articles made of Flax—			
	Canvas, European Sail, not exceeding 40 yards ...	Bolt	15 0	
	Piece Goods	... ..	*Ad valorem*	
	All other sorts, including linen thread	.....	,,	
22	Fruits and Vegetables—			
	Almonds, without shell ...	Cwt.	30 0	
	,, in the shell ...	,,	11 0	
	Cajoo kernels	,,	10 0	
	Cocoanuts	Thousand	30 0	
	,, kernel (copra) .	Cwt.	8 8	
	Currants, European ...	,,	35 0	
	,, Persian... ...	,,	12 0	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
22	Fruits & Vegetables—*contd.*			
	Dates, dry, in bags ...	Cwt.	4 8	
	„ wet „	„	3 8	
	„ „ in pots ...	„	7 0	
	Figs, European	„	42 0	
	„ Persian, dried ...	„	6 8	
	Garlic	„	5 0	
	Pistachio Nuts	„	20 0	
	Prunes, Bussorah... ...	„	16 0	
	Raisins, black, Persian Gulf, Red Sea, and Kishmish	„	16 0	
	Raisins, Munakka, Persian Gulf and Red Sea ...	„	7 0	
	Raisins, Malaga and Bloom	lb.	0 10	
	„ other sorts ...	.....	*Ad valorem*	
	Walnuts	Cwt.	5 8	
	All other sorts, except Bed-mushk, Bajarbattu nuts, and fresh fruits and vegetables not separately enumerated, which are free	.....	*Ad valorem*	5 ℘ cent.
23	Glass, Glass-ware, Beads, False Pearls, and False Corals—			
	Bangles, Glass, China, gilt.	100 pairs	6 0	
	„ „ „ not gilt	„	3 0	
	Beads, China	Cwt.	30 0	
	Coral, False	.....	*Ad valorem*	
	Glass, China, of all colours.	133⅓ lbs.	32 0	
	„ Crown, coloured ...	100 supl. feet	25 0	
	„ „ of sizes ...	„	7 0	
	Pearls, false—			
	Bajria	Lakh	5 0	
	Boria	Thousand	1 4	
	Jouria	Lakh	8 0	
	Nathia	Thousand	0 6	
	Tachea	„	1 0	
	Wattanah	Lakh	10 0	
	All other sorts of beads, false pearls and glass, except bottles used to bottle beer, wine, spirit, or aërated waters, which are free	...	*Ad valorem*	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
24	Gums, Gum Resins, and articles made of Gum or Gum Resin—			
	Copal	Cwt.	65 0	
	Cutch and Gambier ...	,,	10 0	
	Gum, Ammoniac	,,	12 0	
	,, Arabic	,,	15 0	
	,, Bdellium (common Gum)	,,	5 0	
	,, Benjamin	,,	40 0	
	,, Bysabole (coarse myrrh)	,,	12 0	
	,, Olibanum or Frankincense	,,	12 0	
	Kino	,,	10 0	
	Myrrh	,,	30 0	
	,, Persian (false) ...	,,	3 0	
	Rosin	,,	5 0	
	All other sorts	.....	*Ad valorem*	
25	Hardware and Cutlery, including Iron-mongery and Plated-ware, but excluding machinery and the component parts thereof, which are free, and agricultural implements, which also are free...	.....	*Ad valorem*	5 ℘ cent.
26	Hemp and articles made of Hemp—			
	Piece Goods	.....	,,	
	All other sorts except rope.	.....	,,	
27	Hides and Skins, except raw or salted hides or skins, which are free—			
	Hides—			
	Border	Each	30 0	
	Buffalo	Score	80 0	
	Cow...	,,	60 0	
	Skins—			
	Calf...	Dozen	45 0	
	Chamois...	,,	6 0	
	Goat	Score	16 0	
	Lamb	,,	6 0	
	Roan	Dozen	30 0	
	Sheep	Score	11 0	
	All other sorts	.....	*Ad valorem*	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
28	Instruments & Apparatus—			
	Musical	.....	*Ad valorem*	
	Drawing, Measuring, Optical, Photographic (including materials for Photography), Surveying, and Surgical (including surgical appliances)	.....	„	
29	Ivory and Ivory-ware—			
	Unmanufactured—			
	Elephants' grinders ...	Cwt.	125 0	
	Elephants' tusks, each exceeding 20 lbs. in weight.	„	450 0	
	Elephants' tusks, not less than 10 lbs. and not exceeding 20 lbs. each	„	325 0	5 ℘ cent.
	Elephants tusks, each less than 10 lbs. ...	„	175 0	
	Sea-cow or moye teeth, each not less than 3 lbs.	„	175 0	
	Sea-cow or moye teeth, each less than 3 lbs....	„	60 0	
	Articles made of ivory.	.....	*Ad valorem*	
30	Jewelery, including Plate—			
	Silver-ware, Plain... Other than European.	Tolah	1 2	
	„ Embossed or chased. Other than European.	„	1 8	
	All other sorts, except Precious Stones and Pearls, which are free	...	*Ad valorem*	
31	Leather, and articles made of leather, including Boots, Shoes, Harness and Saddlery, but excluding belting for driving machinery, which is free ...	...	„	
32	Liquors—			
	Ale, Beer, and Porter ...	Impl. Gallon or six quart bottles	.....	1 Anna.
	Cider, and other fermented liquors			
	Liqueurs	„	.....	Rs. 4.

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
32	Liquors—*continued.*			
	Spirit, for use exclusively in Arts or Manufactures or in Chemistry, which has been rendered effectually and permanently unfit for human consumption	.....	*Ad valorem*	10 ℘ cent.
	Spirit, other sorts ...	Impl. Gallon or six quart bottles of the strength of London proof.	.....	Rs. 4, and the duty to be increased in proportion as the strength of the Spirit exceeds London proof.
	Wines—			
	Champagne and all other Sparkling Wines ...	Impl. Gallon or six quart bottles	.....	Rs. 2-8.
	Claret, and Still Burgundy.	,,	.....	Re. 1-0.
	All others sorts of Still Wines	,,	.....	Re. 1-8.
33	Matches, Lucifer, and all other sorts...	.....	*Ad valorem*	
34	Mats—			
	Floor-matting, China and Singapore, of all sorts...	Hundred	70 0	
	All other sorts except coir matting	.....	*Ad valorem*	
35	Metals, unwrought, wrought, and articles made of Metals—			5 ℘ cent.
	Brass—			
	Beads, Ghungri, China..	Thousand	0 14	
	Old	Cwt.	35 0	
	Sheets, rolls, very thin.	,,	90 0	
	Wire	lb.	0 8	
	All other sorts	.....	*Ad valorem*	
	Copper—			
	Australian cake ...	Cwt.	50 0	
	Bolt	,,	50 0	
	Brazier's	,,	52 0	
	China Cash	,,	30 0	
	Japan	,,	48 0	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
35	Metals, &c.—*continued.*			
	Nails and composition nails	Cwt.	48 0	5 ℘ cent.
	Old	,,	48 0	
	Pigs and slabs, foreign...	,,	46 0	
	Sheet, sheathing, and plate	,,	52 0	
	Tiles, ingots, cakes, and bricks...	,,	48 0	
	Other sorts, unmanufactured	.....	*Ad valorem*	
	China white copper-ware	lb.	1 2	
	Foil or dakpana ...	100 leaves	3 0	
	Wire	lb.	0 10	
	All other sorts	.....	*Ad valorem*	
	Gold Leaf, European ...	100 leaves	3 0	
	,, Mock	20 books	5 0	
	Iron—			
	Anchors and cables ...	.....	*Ad valorem*	1 ℘ cent.
	Angle and T iron ...	.....	,,	
	Beams, pillars, girders, bridge-work, and other descriptions of iron, imported exclusively for building purposes.	... ..	,,	
	Flat, square and bolt, including Scotch ...	Ton	100 0	
	Galvanised	Cwt.	11 0	
	Sheets and ridging ...	,,	11 0	
	Hoop, plate and sheet...	Ton	135 0	
	Nails, rose, clasp, and flat-headed, rivets and washers	Cwt.	12 8	
	Nails, other sorts, including galvanised	.....	*Ad valorem*	
	Nail rod	Ton	120 0	
	Old	Cwt.	2 0	
	Pig...	Ton	55 0	
	Pipes and tubes	.....	*Ad valorem*	
	Rice bowls...	Set of ten	4 0	
	,, ...	,, six	2 0	
	Rod, round, British, not exceeding half-inch diameter	Ton	130 0	
	Rod, exceeding half-inch diameter	,,	100 0	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
35	Metals, &c.—*continued.*			
	Swedish, flat and square...	Ton	160 0	1 ℘ cent.
	Tinned plates	Cwt.	15 0	
	All other sorts, including wire, but excluding railway materials, and kentledge, which last-named article is free ...	.. ..	*Ad valorem*	
	Lametta, double reels ...	Score	4 8	
	„ single „ ...	„	2 4	
	Lead—			
	Ore, Galena	Cwt.	13 0	
	Pig	„	11 0	
	Pipes	.....	*Ad valorem*	
	Sheets, tea	Cwt.	20 0	
	„ other sorts ...	„	12 0	
	Orsidue and brass leaves, foreign, European ...	lb.	1 2	
	„ „ „ China ..	„	0 14	
	Patent or Yellow Metals, sheathing, sheets, and bolts	Cwt.	42 0	5 ℘ cent.
	„ „ old	„	37 0	
	Quicksilver	lb.	2 8	
	Shot, bird	Cwt.	16 0	
	Steel, excluding railway materials—			
	Blistered	„	9 0	
	British and foreign other than Swedish ...	„	9 0	
	Cast	„	25 0	
	Spring	„	10 0	
	Swedish...	„	10 0	
	Tin, Block	„	50 0	
	„ other sorts... ...	.....	*Ad valorem*	
	Zinc or Spelter—			
	Nails	„	14 0	
	Plate and other shapes, soft	„	15 0	
	„ „ „ hard ..	„	11 0	
	Sheet or zinc sheathing.	„	17 0	
	All other sorts	.....	*Ad valorem*	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
36	Military and other Uniforms and Accoutrements, &c., except Uniforms and Accoutrements imported by a public servant for his personal use, which are free...	.....	*Ad valorem*	
37	Naval Stores not otherwise described, except Oakum, which is free	.....	„	
38	Oils—			
	Cassia	lb.	3 0	
	Cocoanut	Cwt.	15 0	
	Grass	lb.	1 12	
	Jinjili or til	Cwt.	15 0	5 ℘ cent.
	Kerosine, paraffine, petroleum, rock and shale oils of all descriptions	Impl. Gal.	0 12	
	Linseed, European ...	„	2 0	
	Naphtha	Cwt.	30 0	
	Otto of sorts	oz.	10 0	
	Sandalwood	lb.	8 0	
	Turpentine	Impl. Gal.	1 10	
	Whale (except spermaceti) and fish ...	Cwt.	15 0	
	Wood	„	15 0	
	All other sorts, except cocum and slush fat, which are free	.....	*Ad valorem*	
39	Oil and Floor Cloth	...	„	
40	Opium not covered by a Government Pass	Seer of 80 tolahs	...	Rs. 24.
41	Paints, Colours, Painters' Materials, and compositions for application to Leather and Metals—			
	Ochre other than European, all colours ...	Cwt.	1 8	5 ℘ cent.
	Paints of sorts	„	12 0	
	„ Composition ...	„	25 0	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
41	Paints, Colours, &c.—*contd.*			
	Paints, Patent driers ...	Cwt.	14 0	
	Prussian blue, China ...	lb.	0 8	
	" " European...	"	1 8	
	Red lead	Cwt.	14 0	
	Turpentine...	Impl. Gal.	1 10	
	Verdigris	Cwt.	75 0	
	Vermilion, Canton ...	Box of 90 bdls.	150 0	
	White lead...	Cwt.	12 0	5 ℘ cent.
	All other sorts	...	*Ad valorem*	
42	Paper—			
	Wall paper...	...	"	
43	Perfumery—			
	Atary, Persian	Cwt.	15 0	
	Perfumed Spirit in wood, or in bottles containing more than half a pint	Impl. Gal.	...	Rs. 4.
	Rose-flowers, dried ...	Cwt.	13 0	
	Rose-water...	Impl. Gal.	1 12	
	All other sorts, including perfumed spirit in bottles containing not more than half a pint.	...	*Ad valorem*	
44	Piece Goods, not otherwise described	...	"	
45	Pipes and other Implements used in the consumption of Tobacco...	...	"	
46	Pitch, Tar, and Dammer—			
	Brimen	...	"	5 ℘ cent.
	Dammer	Cwt.	5 0	
	Pitch, American and European	"	6 0	
	Pitch Coal	"	2 8	
	Tar, American and European	"	6 0	
	Tar, Coal	"	2 8	
	" Mineral	...	*Ad valorem*	
47	Provisions and Oilman's Stores—			
	Bacon in canisters, jowls and cheeks	lb.	0 9	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
47	Provisions and Oilman's Stores—*continued.*		Rs. A.	
	Beef and Pork	Tierce of 3 cwt.	60 0	5 ℘ cent.
		Barrel of 2 cwt.	40 0	
	Cheese	lb.	0 10	
	China Preserves	Box of six jars.	8 0	
	Flour	Barrel or sack of 200 lbs.	15 0	
	Ghee	Cwt.	36 0	
	Groceries not otherwise described	...	*Ad valorem*	
	Pork Hams	lb.	0 10	
	Salted Fish*	Cwt.	...	12 Annas.*
	* Duty to be levied only on salted fish imported into the Bombay Presidency except Sindh, and into such other parts of British India as the Governor General in Council may, by notification in the *Gazette of India*, from time to time, direct.			
	Tongues, salted	Kegs of six	10 0	5 ℘ cent.
	Vinegar, European, in wood	Impl. Gallon	1 8	
	Vinegar, Persian	,,	0 12	
	,, Country... ...	,,	0 6	
	All other sorts, except beche-de-mer, fishmaws, shark-fins, singally and sozille, which are free ...	...	*Ad valorem*	
48	Railway Materials—			
	Of Iron	.....	,,	1 ℘ cent.
	Steel Rails and other articles made of steel intended for the permanent-way of railways ...	.. ..	,,	
	All other sorts, including carriages and trucks ...	.....	,,	5 ℘ cent.
49	Salt—			
	Imported into British Burma...	Indian maund of 3,200 tolahs	.....	3 Annas.
	,, into Bengal ...	,,	.....	Rs. 3-4.
	,, into any other part of British India	,,	.....	Re. 1-13.

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
50	Seeds—			
	Castor	Cwt.	4 8	
	Cummin	„	13 0	
	„ black	„	4 8	
	Linseed	„	5 8	
	Methi	„	4 0	
	Mustard, rape, or sarson...	„	4 8	
	Quince seed or bihi-dana...	„	30 0	
	Sozira	„	20 0	
	All other sorts, except seeds imported by any Public Society for gratuitous distribution, which are free	.....	*Ad valorem*	
51	Shells and Cowries—			
	Chanks—			
	Large shells, for cameos.	Hundred	10 0	
	White, live	„	6 0	
	„ dead	„	3 0	
	Cowras—			
	From Mozambique and Zanzibar	„	3 0	
	From other places ...	„	0 8	5 ℘ cent.
	Cowries—			
	Bazaar, common ...	Cwt.	2 8	
	Maldive	„	10 0	
	Sankhli	„	50 0	
	Yellow, superior quality.	„	5 0	
	Mother-o'-pearl	„	30 0	
	Tortoise-shell	lb.	6 0	
	„ nakh	„	1 0	
	All other sorts, including nakhla	.....	*Ad valorem*	
52	Silk and articles made of Silk—			
	Floss	lb.	8 0	
	Piece Goods	.....	*Ad valorem*	
	Raw Silk—			
	Chaharam and Cochin China...	lb.	4 0	
	Mathow	„	1 12	
	Other kinds of China ...	„	7 0	
	Punjum and Kachra ...	„	1 4	
	Persian	„	5 0	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
52	Silk, &c.—*continued.*			
	Siam	lb.	2 8	
	Sewing thread, China ..	„	8 0	
	All other sorts	.....	*Ad valorem*	
53	Soap	.....	„	
54	Spices—			
	Aniseed Star	Cwt.	35 0	
	Betelnuts—			
	Goa	„	12 0	
	In the husk	Thousand	2 0	
	White, Srivarddhan ...	Cwt.	18 0	
	All other sorts	„	5 0	
	Chillies, dried	„	8 0	
	Cloves	„	40 0	
	„ in Seeds, Narlavang.	„	16 0	
	Mace.	lb.	1 2	
	Nutmegs	„	1 0	
	„ in shell	„	0 8	
	Pepper, black and long ...	Cwt.	25 0	
	„ white	„	32 0	
	All other sorts	.....	*Ad valorem*	
55	Stationery (except Paper, which is free)	.....	*Ad valorem*	
56	Sugar—			5 ℘ cent.
	China, candy	Cwt.	20 0	
	Loaf..	„	23 0	
	Soft.	„	13 8	
	All other sorts of saccharine produce	.....	*Ad valorem*	
57	Tea—			
	Black	lb.	0 12	
	Green	„	1 4	
58	Tobacco—			
	Manufactured	.....	*Ad valorem*	
	Unmanufactured	.....	„	
59	Toilet Requisites, not otherwise described	.....	*Ad valorem*	
60	Toys and Requisites for all Games	.....	„	
61	Umbrellas—			
	China paper kettisals ...	box of 110	30 0	
	Cotton, steel-ribbed ...	Each	0 13	
	„ cane-ribbed ...	„	0 12	
	„ oiled, other than European ...	„	0 10	
	All other sorts	.....	*Ad valorem*	

IMPORT TARIFF—*Continued.*

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
62	Woollen Goods—			
	Braid	.....	*Ad valorem*	5 ℘ cent.
	Hosiery	.....	„	
	Piece Goods	.....	„	
	All other sorts	.....	„	

SCHEDULE B.

EXPORT TARIFF.

Number.	Names of Articles.	Per	Tariff Valuation.	Rate of Duty.
			Rs. A.	
1	Dyeing and Colouring Materials—			
	Indigo—			
	Leaves, green or dry ...	Ton	.....	Rs. 3.
	Manufactured	Indian md. of 3,200 tolahs.	.....	
2	Grain and Pulse—			
	Rice in the husk (paddy) ..	„	.....	3 Annas.
	„ not in the husk ...	„	.....	
3	Lac—			
	Button	Cwt.	65 0	4 ℘ cent.
	Seed	„	45 0	
	Shell	„	80 0	
	Stick	„	35 0	
	All other sorts, except lac-dye, which is free ...	.....	*Ad valorem*	

WHITLEY STOKES,

Secretary to the Government of India.

THE DUTY ON RAW COTTON.

A SPECIAL General Meeting of the Chamber of Commerce was held on Saturday, the 11th September 1875, the Chairman, Mr. J. A. Forbes, presiding, for the purpose of considering the duty of 5 per cent. *ad valorem* levied, under the Indian Tariff Act of 1875, on raw cotton, not the produce of Continental Asia or Ceylon, and of passing such resolutions thereon as might be deemed expedient; and also to record their protest against the continued maintenance of the Cotton Frauds Act. As members of the mercantile community, European and Native, and the public generally, were invited to attend, a large number were present who were not members of the Chamber, the spinning and weaving trade being well represented. Among those present were observed Messrs. J. H. Latimer, C. J. Mayhew, Nursey Kessowjee, Dinshaw Manockjee Petit, Tapidas Vurjdas, Sorabjee Shapurjee Bengalee, Vurjeevundas Madhowdas, Raghunath Narayen Khote, Nowrojee Furdoonjee, Damodhurdas Tapidas, Ghellabhoy Pudumsey, Vijbhoocundas Atmaram, &c.

The Secretary having read the notice convening the meeting, the Chairman said that, in the course of the proceedings that day, it might be as well, before entering into the business of the evening, especially as regarded those gentlemen, unconnected with the Chamber, who had accepted the invitation to attend, shortly to state, first, the object of the meeting, and under what circumstances it had been brought about. To those members of the Chamber who had been present at the meetings held on the 5 and 6th of January last, it must be known that there was a long and important discussion held upon the subject, and as to what recommendations should be sent to the Committee recently appointed by the Government of India for revising the Tariff. In the resolutions, which had been passed by the Government of India, they called their (the Committee's) special attention to cotton goods and yarns imported into India, and H. E. the Viceroy asked the Committee to report what the effects of the duties would be, and in what respect it would be advisable to alter them; and concluded by stating that the policy of the Government of India was adopted with the object not to impose any new duties whatever, but solely for the purpose of raising revenue. The discussion on the 5th and 6th January was of considerable interest as it involved nearly all the questions affecting commerce. The results of those meetings were duly communicated to the Tariff Committee at Calcutta, and the resolutions then passed by the Chamber were in effect as follows:—That the Chamber recommended the abolition of import duty on (1) sugar and dates—as articles which were mainly imported into the Presidency of Bombay and which were really necessaries of life with large portions of the population; (2) on all articles for which Bombay acted more as a depot than as a place of consumption; and (3) on many small articles which gave little return to the revenue. The Chamber also recommended that export duties on all articles except those on rice, indigo, and lac be abolished. At the same time the Chamber, recognizing the fact that if these recommendations

were carried out, it would cause a serious diminution of revenue, suggested the following means of meeting the deficiency, viz.:—(1) by increased economy in public expenditure; (2) diminished expenditure for a time on Public Works; (3) by the institution of an excise tax on tobacco, in addition to the import duty, or, if practicable, the establishment of a Government monopoly in the article; and (4) the Chamber recommended that all imposts on tobacco, as well as on spirits and liquors, including licences to sell, be taken out of the hands of Municipal and local bodies and carried to the general revenues of the country. Besides this the Chamber, not content with recommending the general abolition of export duties with the exception of rice, indigo, and lac, especially urged upon the Government of India the desirability of abolishing immediately the export duty on Indian-made goods and yarns. All these suggestions and recommendations had been very fairly considered by the Tariff Committee at Calcutta, and also by the Government of India, and the result was that the request of the Bombay Chamber had been entirely complied with, and the export duty on Indian-made goods and yarns was abolished. As to their suggestions regarding increased import duty on certain goods, it was found not desirable to impose an extra duty on tobacco. In fact H. E. the Viceroy considered that changes in taxation should, if possible, be avoided, as prejudicial to the interests of Government, and annoying to the people, not only involving the letting loose of a whole body of tax-collectors, but considerable expense in collecting the taxes. So the additional excise duty on tobacco had not been imposed. As regarded the recommendations of the Chamber with reference to increased economy in public expenditure and a diminished expenditure on Public Works, the Chairman thought that the Government, in passing the Tariff Bill, had given the matter every consideration and the Bill itself was, upon the whole, very satisfactory. The Chamber might rest assured that so long as Lord Northbrook was Viceroy, due attention would be paid to those points, and needful measures taken in reducing those two items of expenditure. The suggestion of the Chamber to abolish all export duties, except those on rice, indigo, and lac, had been adopted, and the recommendation abolishing the import duty on sugar and dates, on articles for which Bombay acted more as a depot than as a place of consumption, and on many small articles which gave little return to the revenue, had to a certain extent been complied with, for the Government had reduced the tax from 7½ per cent. to 5 per cent. As regarded the import duty on cotton goods and yarns, the amount of revenue realized by the tax, about £800,000, was more than the Government of India could afford to sacrifice, and that duty was consequently not repealed. The Chairman called attention to the fact that it was repeatedly announced in the debates of the Legislative Council, that the sole cause of this duty was not because the Government of India thought it desirable to tax cotton goods and yarns, but that the necessities of the revenue did not admit of its being abolished or even reduced. Taking, however, the bill as a whole, it was satisfactory, and the Indian and commercial public ought to be

satisfied with what had been done. But it had come to the knowledge of the members that there was one blot upon the bill—viz., the levying of a new impost duty on long-stapled cotton. Seeing that this question was one of considerable interest and importance to the Bombay commercial community, the Committee of the Chamber had convened a meeting to hear both sides of the question, and, if necessary, to record their opinion that it ought to be abolished, in a Memorial to the Government of India. The Chairman said he had nothing to say himself, as the resolution to be brought forward upon this subject, was in the hands of members of the Chamber who would deal with the matter fully. Before concluding, however, he asked the meeting to remember that the Government of India had stated that their object in legislating was only with a view to protect their revenue, and not to protect any particular trade. There was also before the meeting another subject—namely, the maintenance of the Cotton Frands Act, and this he considered would be very opportunely brought forward at the present meeting. (Applause.)

Mr. HAMILTON MAXWELL said—I have the honour to propose the following resolution :—"That this meeting protests against the duty of 5 per cent. *ad valorem* levied, under the Indian Tariff Act 1875, on raw cotton, not the produce of Continental Asia or Ceylon, imported into British India, as an unjust and impolitic restriction on the manufactures of India, and contrary to that sound principle of the commercial policy of England, and of other enlightened nations which requires the State to give every encouragement to the free importation of the raw materials necessary for ths development and extension of native manufactures." In proposing this resolution it will be well if I lay before you the present position of affairs, before showing how unjust the imposition of the 5 per cent. import duty on long-stapled cotton really is. We need not look at the question of the import duty on cotton manufactures as one either of protection or free trade. These duties were originally levied for revenue purposes and never have been considered in this country as protective duties. This is, I submit, clearly shown in the reply given by Lord Northbrook to the Chamber's Memorial praying for their repeal. I do not remember the exact wording of the reply, but it was to the effect that these duties would be removed whenever the loss of revenue by so doing could be made good by some other means of taxation. It is very evident, therefore, that these duties are not maintained as a protection to the cotton industry of Bombay or India, but merely as a convenient means of raising revenue. Whenever the Indian Government can dispense with them the interests of the Indian millowners will never be considered. I maintain therefore that, in looking carefully at this question, we cannot look on these import duties as protective duties, and they may be removed at any time. We must therefore consider the 5 per cent. import duty on long-stapled cotton on its own merits, and not in connection with the import duty on manufactures. Before discussing the effect of this import duty on the cotton industry of India, I state boldly, and without fear of con-

tradiction, that, had it not been for the social and political influence of Manchester, brought to bear on the Viceroy, through the Secretary of State for India, we should never have heard of so extraordinary a piece of legislation as the imposition of a duty on long-stapled cotton imported into India. Months ago I was warned by my friends at home that this influence was being used, and that strong pressure would be put on the Viceroy, but my informants were unable to ascertain what form the concession to the selfish demands of Manchester would take. We were not long, however, in seeing the effects of this pressure, the Bombay Government having proposed to bring in a Factories Act Bill. They could not, however, at once frame and pass this bill into an Act, without some show of justice, and appointed a Commission, largely composed of millowners, to collect evidence on the subject. Evidence was taken with much care, and together with the report of the Commission it is now in the hands of Government. If the Bombay Government brings in a bill at all calculated to curb and fetter cotton spinning enterprise in this country, in the face of the evidence laid before it by the Commission, then the Manchester influence is strong indeed. (Hear, hear.) The next attempt on the cotton industry came from Simla, and were we to be guided in our opinion of the measure brought forward by the Viceroy, by the remarks of the Viceroy himself and those of the Honourable Mr. Hope, when introducing it, we could only come to the conclusion that they were both ashamed of it. (A laugh.) Mr. Hope stated, with regard to the position of Manchester and India in manufactures that "The wisest policy in the interests of both, seemed to be to leave matters to take their natural course instead of aggravating, by interference, any evil, such at it was, which might exist." And yet he goes on to say that the only measure required in order to prevent what little evil there might be thought to exist, was the imposition of a duty on raw cotton. When we see a man of Mr. Hope's ability and fecundity of ideas reduced to the necessity of using such language as an excuse for bringing forward the measure, it may be presumed he must have been very much in want of good arguments in its favour. The Viceroy very wisely only vaguely referred to the subject and left it on Mr. Hope's shoulders. The whole argument, however, is that Indian manufactures having an advantage over Manchester owing to the duty in the importation of manufactured cotton goods, the pressure put on Government by Manchester, compelled them to equalize this, by putting India at a disadvantage with Manchester in obtaining long-stapled cotton. Let us now compare the positions of the Manchester and the Indian spinners. With the aid of cheap money, and an unlimited supply of skilled labour, the Manchester spinner can erect a mill at a much less cost than the Indian spinner. The Indian spinner, from the difference in climate, high temperature, and dry atmosphere, compared with England, which it is well known is much against both spinning and weaving, is obliged to build more commodious and better ventilated mills, and he has to pay a much higher price for his machinery. I need not tell you that freight, agents' commissions, landing and forwarding charges,

and breakages more especially on the engines, boilers, shafting and other heavy portions, very much increase the cost of the machinery of a mill. Skilled labour for its erection has to be provided at enhanced cost from England. All these tend to make the cost of the mill very much greater than a similar establishment at home. Then in working the mill the additional cost of fuel, European superintendence, and exclusive of fuel, the extra cost of steam power in India, place the Indian manufacturer at a disadvantage with Manchester. All things considered then, the Indian manufacturer has not the great advantages over the Manchester spinner, which the latter is constantly dinning into our ears. Now, as to the policy of imposing a tax on raw cotton I can only say that it is in direct opposition to that pursued for many years by England and all the nations of Europe. All have endeavoured to remove duties on articles of produce calculated to stimulate the manufacturing energies of the people, and very great pressure must have been brought to bear on a statesman of Lord Northbrook's training and experience to induce him to impose a duty so much at variance with modern civilization, and utterly opposed to the remarks made by His Excellency in the opening part of his speech. His Lordship said—"The Government of India possesses the advantage of being closely associated with the Government of England—a Government which has taken the lead in adopting and developing the principles of free trade; and we must expect to see our financial policy judged by a comparison with that of England—judged, that is to say, by the highest standard in the world. Indian statesmen have always acknowledged the principles of recent English financial legislation to be sound, although owing to differences between the two countries it has been impossible to carry them out as completely in India as in England. Indian statesmen have never regarded Customs duties as desirable for the purpose of protecting the products or manufactures of India. Mr. Wilson, Mr. Laing, Sir Charles Trevelyan, Mr. Massey, and Sir Richard Temple have all been thorough free traders. In India, equally as in England, protection has been regarded as an exploded doctrine, contrary to the general interests of the country which imposes protective duties. In India, equally as in England, the doctrine has long since been abandoned that the mother-country should favour colonies or foreign possessions by Customs tariffs or navigation laws; as well as the corresponding doctrine that colonies and foreign possessions should adopt Customs tariffs or other financial measures which favour the mother-country against the interests of the colony." A little further on his Lordship says:—"And in all financial questions, the true interest of the people of India is the only consideration which the Government of India has to regard." A para. after that his Lordship says:—"A considerable revenue has hitherto been raised by export duties upon articles of Indian produce which are subject to the competition of articles produced in other countries, and there exists also what I can only call the monstrosity of a duty upon the export of Indian cotton manufactures. Such duties are of course altogether inconsistent with free trade. Sir William

Muir has told us that they have only been retained in consequence of the necessity of the case; that many have been abolished from time to time; and that an intention has frequently been expressed to abolish the remainder as soon as the condition of the finances would admit of it. The measure which I hope will to-day be passed into law is a very substantial advance in this direction. Grain, seeds, oils, spices, hides, and cotton manufactures will be freed from export duty: and only three articles of export, rice, indigo, and shell-lac, will hereafter be taxable." It seems incomprehensible to me that after making such remarks Lord Northbrook could consistently countenance such a measure. It is even worse than the protection he so much deprecates. It is the spoiling of one country for the protection of another. The fact that this duty has been imposed to benefit Manchester at the expense of India, is quite sufficient to stigmatise it as a most unjust and oppressive measure, and should the question ever come before the British Parliament, it will be used by members of the House of Commons, who are friendly to the interests of India, and who do not approve of the selfish cry of the Manchester men for protection, as a very strong argument against it. (Applause.) I am afraid that in reading so many extracts from the speeches made by the Honourable Mr. Hope and His Excellency the Viceroy when the bill was introduced in the Council at Simla, I have trespassed too much on your forbearance, but they were necessary to put the case in its proper light. With these remarks I have much pleasure in proposing the resolution. (Loud applause.)

The Hon. Mr. DONALD GRAHAM said—I beg to second this resolution. After the clear statement made by Mr. Maxwell, I have not much to say. I have great difficulty in understanding how this tax on imported cotton ever came to be passed. When a novelty of this kind is decided upon, and no explanation given for it, it is a little difficult to know exactly what line to take in arguing against it. One can do little more than express one's opinion in a general way, that it is wrong in principle and mistaken in policy. (Hear, hear.) I can understand there being advocates of protective duties, though I do not sympathise with them. I know that they have a few plausible arguments on their side. But this is neither free trade nor protection. It is in fact contrary to both being, if anything, a protection on foreign competition. Mr. Hope, in his speech, seems to say that the duty is imposed as a direct consequence of the Manchester agitation for the repeal of the piece-goods duties, but I can hardly think that this was really the motive. The only other argument I have heard in its favour is this—that India is only one part of a great empire, and that the tariff lists of each should be made with a view to the general interest of all. This is all very well, and I can quite understand that there may be much to be said in favour of such a policy, though, as a general principle, I do not think I should advocate it myself. As a matter of fact, however, none of the tariff lists of other parts of the empire are based on such a plan, and therefore the argument in this case can hardly be said to apply. I do not think it has ever been suggested that the interests of India have been much thought of in any

changes that have been made in the English tariff list. Most of our articles of produce are taxed in England—coffee, tea, and, until quite lately, sugar and other items, including one the duty on which is directly protective. I refer to manufactured silver. Indian manufactures of silver are much thought of at home, and it is quite possible that a trade might spring up in them if the duty was not prohibitory. I will only add one word about the new Tariff Act generally, and express my regret that it was not decided to abolish the duties on the lower classes of goods. The import trade in these has nearly died out, and it might possibly have given it a chance of revival, to the interest both of England and India. (Applause.)

Mr. SORABJEE FRAMJEE PATEL (of Messrs. Framjee, Sands and Co.) said—After the incontestable arguments adduced by Mr. Maxwell and the Hon'ble Mr. Graham against the impropriety of taxing a raw material of such universal necessity as cotton, I apprehend I may be taxing the patience of this meeting; but looking at the great importance of the subject I must ask the indulgence of being allowed to speak in support of the resolution just moved and seconded. Before entering into the merits of the question, one cannot help regretting that a political economist and statesman of Lord Northbrook's standing should have given sanction to so unsound an impost as a duty on cotton. Gentlemen, before so enlightened a body as are assembled to-day, it would be presumptuous for me to say anything regarding the true principles of political economy, and I therefore feel the more convinced that on this score alone, this meeting will unanimously condemn the duty which is to be levied on long-stapled cotton. In the first place, no one, I am sure, can gainsay, that the duty of an enlightened Government consists in fostering industry by legitimate measures, and not hampering its development by artificial means. Here in India to our mortification we find that a different principle finds favour with the Indian Government. That in almost all civilised countries, and pre-eminently in England, raw materials are imported duty free, is so known a fact, that taking this one instance of the many as the groundwork of our opposition to the duty, it ought to carry home the conviction that the impost in question is unsound in principle. Gentlemen, political economists of high repute disapprove such taxes so completely that authorities after authorities might be cited in support of this statement. But since we have facts to convince the most sceptical, I will lay a few of these before you, with a view to show how vastly the national resources of England are enlarged and benefited by free trade principles, or by allowing all raw materials to be imported duty free. For instance, take cotton, the import duty in 1831 was 5s. 10d. per cwt. when the export of manufactures to all countries from Great Britain was only 444,500,000 yards, but the imposition of any duty on such an important raw material being deemed objectionable, it was finally abolished in 1845, when the export rose at once to 1,091,600,000 yards, and has since steadily gone on increasing until it reached in 1874 the enormous figure of

3,587,100,000 yards. We will now take wool, which staple I may mention that I have chosen on account of its being so largely produced in England itself, and which can, therefore, be considered as similarly situated to the local production of the existing finer classes of cotton of this country, or to any finer classes still which may yet be produced. The facts then regarding wool are equally striking. A duty was imposed in 1802 and was raised to its highest pitch in 1819. The consequence was that it occasioned during the period of its continuance, a considerable decline of the export of manufactures and was productive of other mischievous effects from which the manufacture suffered for a considerable period even after the duty was repealed, and which I will presently show. In 1800, a year or two before the duty was first imposed, the value of the total exports from Great Britain of manufactured woollen and worsted goods was £6,917,000. In 1810, it fell to £5,775,000, the first effect of an objectionable duty. In 1820, it declined to £5,586,000. By 1830, it seems to have felt the pernicious effect of a heavy duty most (notwithstanding that since 1825 the duty on colonial wool was abolished) for the value of exports dwindled down to only £4,851,000. In 1840, the figures improved to £5,780,000. By 1850, a genuine revival occured (the beneficial effect of the total abolition of duty from 1844), and the export doubled itself—viz., £10,040,000. In 1860, the value of export was £16,000,418; and for 1870, the figures were £26,659,202. Gentlemen, I could, I think, give equally conclusive proofs in the case of other raw materials of industry, but I will not intrude on your valuable time, for you are all quite conversant with the fact that what has rendered England great, wealthy, and prosperous is not only its mechanical inventions and manufacturing industry, but its wise and beneficent fiscal measures and the energy and enterprise of the nation. I cannot also help remarking, gentlemen, that it grieves one to notice that the Indian Government of the day should undo that which their predecessors with a due and far-sighted regard for the future prosperity of India had done. I mean coals and machinery, being essential elements in the manufacturing industry, were, therefore, doubtless allowed to be imported duty free. What does Lord Northbrook's Government do? The very opposite. They are imposing a tax on long-stapled cotton, the very life and soul of the industry—an industry on which millions of our fellow-creatures are dependent for their livelihood and a raw material, the cultivation and the handling of which from the field to the mill, bestows occupation and means of investment to millions and millions of human beings from the peasant to the millionnaire. With these observations, I trust that all of us will unanimously condemn a tax which is so objectionable in principle, and so opposed to the enlightened views of the greatest statesmen and economists of the age. (Applause.)

Mr. BRYCE (of Messrs. Wallace & Co.) said that, as a stranger, he had some diffidence in addressing the meeting, but having lately come from Manchester, he would like to say a word in corroboration of Mr. Maxwell's statement about the pressure brought

to bear on the Secretary of State for India. There was no doubt that great pressure had been used, and Mr. Disraeli's Government felt themselves bound to do what they could for Lancashire in return for the overwhelming conservative majority returned by that county in the general election of 1874. Lord Salisbury told the manufacturers and merchants of Manchester that he would do what he could, but that in the meantime the exigencies of Indian finance forbade an immediate abolition of the duty. A partial remission has, however, been granted, and it was not difficult to see that the interests of Lancashire were being consulted in the imposition of this import duty on long-stapled cotton. The English manufacturer has a very keen eye to whatever touches the interests of his own pocket, and he has a very great and deep-seated dread of the competition of India in the manufacture of long-stapled cotton—a dread not to be wondered at, when the results of the competition already existing in low goods were considered. This matter of the possibility of the manufacture of long-stapled cotton in India was one constantly canvassed on the Manchester Exchange, and though, as men always hope what they wish for, the ordinary manufacturer professed to scout the idea of a successful competition from India in long staple manufactures on the ground of difficulties of climate and want of skilled labour, yet it was easy to see that his seeming confidence hardly concealed a very real dread. And the shrewdest men even in Lancashire openly admitted that it was only a question of time, and that sooner or later India would spin and weave for herself the long-stapled cottons, as she now did the short. (Applause.)

Mr. M. MOWAT (Messrs. Ritchie, Steuart & Co.) said—The speakers who have preceded me, and also the Memorial which the Millowners' Association has prepared, which appears in the papers this morning, discuss the matter before the meeting so ably that I am left with very little to add on the subject. It certainly seems strange that the greatest dependency of that nation which stands in the van of those who have adopted free trade, should come forward with a prohibitive tax on raw cotton not the produce of Continental Asia or Ceylon, and which must be the means of injuring a great and a growing industry, which has more need of fostering. This country is so much dependent on agricultural pursuits (and all agricultural countries are proverbially poor) that statesmen might naturally be expected to try and encourage other trades and thus increase its wealth. Reasons have been offered for the course adopted, but they are undoubtedly poor, and force us to the conclusion that the measure has been passed as a means of quieting Manchester. With this single exception the tariff is indeed excellent, and it is satisfactory to learn that the means adopted by this Chamber have in some measure contributed to the success. It is gratifying to learn that the duties on Manchester goods and yarns will only be retained so long as actual fiscal requirements render them necessary. Now, let us hear the reasons on both sides. It is stated that the duty will be the means of stimulating the growth of long-stapled cotton in this country. Is this to be done by introducing American seed or improving the

indigenous cotton? The former has been tried in Dharwar and has proved a failure. Year by year Sawginned Dharwar cotton is deteriorating; but with respect to the indigenous, it may be greatly improved as we see in the case of Broach. But I question whether it will be possible to improve it so as to admit of its being used in making the finer threads. Experiment so far is against us, and the mills which want to improve the class of their manufacture wish to import long-stapled cotton for mixing. It has been asked whether, in the event of the duties being done away with altogether, India would be able to compete with Manchester? If not, it is the duty of Government to retard the erection of machinery, the successful working of which is only kept up by the import duties of 5 per cent. on Manchester goods and 3½ per cent. on yarns. At first sight I was inclined to think that India would not be successful; but after full consideration, I am now of a very different opinion. Lord George Hamilton stated in the House of Commons that India could successfully compete in the coarser qualities of goods, and I think she could do so also in the finer sorts. We must bear in mind that the duties of 3½ per cent. on yarns and 5 per cent. on goods are on the out-turn of the mill, and not on the paid-up capital. In the House of Commons, Mr. J. K. Cross, member for Bolton, put this down as equal to 6 per cent. on the paid up capital of the mill. With all deference, I beg to differ from him. I have got a statement of the working of the Morarjee Goculdas Spinning and Weaving Company, one of the most successful and best managed mills in Bombay, and the result is quite different. Indeed it does not exceed 4 per cent. and yarns and goods were higher a year ago than now. (Gives particulars from the company's balance-sheet dated 17th August 1874. The twist account was Rs. 6,32,072, and the piece-goods account Rs. 3,46,469.) I consider this a very fair test; for last year the machinery was very fully worked, although not to sixteen hours per day as stated by Mr. Cross. Any reduction in prices would naturally decrease the proportion, and *vice versa*. The consumption of goods in this country is enormous, and it is questionable whether the local mills work up 10 per cent. of what is required. The consumption of goods is something like 440,000,000 lbs. in weight, of which only 40,000,000 lbs. is manufactured in the local mills. Of the remainder 200,000,000 lbs. is imported and 200,000,000 lbs. wrought by hand looms. Our spindle power at best (only 1,000,000) is very small; and the trade is therefore in its infancy and capable of vast extension. The first mill is only 18 years old, and until lately the progress has not been very great. It may interest you if I name the spindle power of a few other countries:—

Great Britain	39,500,000
United States	9,415,383
Russia	2,100,000
Sweden	300,000
Austria	1,600,000
Germany	5,100,000
France	5,206,000
Switzerland	2,100,000

Holland		250,000
Belgium		800,000
Spain		1,500,000
Italy		700,000

The consumption is as follows :—

Great Britain	Bales	3,167,000
Continent	,,	2,267,000
United States	,,	1,441,000
		6,875,000

In India the local consumption by mills is 1,00,000, and by handlooms 5,00,000, making a grand total of 7,475,000 bales. This tells a tale, and shows how far we may yet successfully go. For a long time, there will be room for both ourselves and Manchester; but let us by no means nip a rising business in the bud. I therefore oppose the 5 per cent. duty on raw cotton for many reasons. I oppose it as a retrogade movement in financial policy. I oppose it in the interest of the people of India, who have the first claim on the consideration of the Government. I oppose it because it hampers and limits a growing industry which promises to be of immense benefit to this great country. (Loud applanse.)

The Chairman here intimated that any gentlemen, not members of the Chamber, were at liberty to speak if they desired.

Mr. E. M. FOGO (of Messrs Remington & Co.) said—Mr. Chairman, I did not come here to-day with the intention of addressing the meeting, but in response to the invitation of the Chairman, I rise to say that I most cordially concur in what has fallen from previous speakers in support of this resolution, and I would add that I hope we shall be found to be entirely unanimous in protesting against this most obnoxious tax—a tax which cannot, in my opinion, be defended on the grounds either of free trade or of protection, for it would indeed be a theory quite new in political economy to contend that the true interests of the people of this country were best promoted by imposing a tax on Indian manufacturers, the obvious effect of which is to defeat any efforts on their part to compete in their own markets with the importer of foreign made goods. I have looked in vain in the speeches made when the new tariff was before the Council of the Government of India for any argument by which so retrograde a policy could be advocated, and it seems to me that Government were greatly perplexed what to say in its favour. It was clearly intended to check the agitation going on in England for the repeal of the import duties, but the manufacturers of Manchester are too astute not to discover that the sop thus thrown to them does not satisfy what they are striving to obtain, and assuredly they will not relax their efforts to get the fiscal policy of this country altered so long as they find the Secretary of State disposed to encourage them with a prospect of ultimate success. If the Marquis of Salisbury when receiving the deputation from Manchester a few months ago had, after expressing his views upon the advantages of free trade over protection, told the deputation that the distribution of the

taxation was a subject that it would be best to leave to the Government and people of this country to adjust, they being the most concerned in making it the least burdensome to themselves, I do not believe that, in the face of such a rebuke, even the most philanthropic member of the deputation could have had the courage to proceed any further, but he attempted to concilliate them, and hence the strenuous efforts that Manchester is putting forward to-day to carry her point. It has been said by one of the speakers, and I believe most truly, that Manchester watches with a most jealous eye any indication of the growth of manufacturing power in foreign countries, in order that whenever it is likely to become dangerous to her supremacy, every effort may be made to extinguish it. Not many years ago, the protective duties in America which, it was believed, would close the markets of that country to English goods, were viewed with much alarm by Manchester, and though she could not bring pressure to bear on the Government of the United States as she has been able to do upon the Government of India, yet I believe a remonstrance in some form was addressed, urging that it must be injurious to the people, as such a retrograde system was opposed to the enlightened teaching of the present day, but somehow the Americans viewed their kind intentions in the same light as we do, and in spite of the protective duties which for many articles are almost prohibitory, we find the United States advancing in wealth and importance, and its people as wealthy, happy and prosperous, perhaps, as any nation in the world. Protection to manufactures has not, that I am aware, worked any dire results in Australia, or that it has been so injurious to the growth of national wealth, that the people are agitating for its removal, for, according to all accounts, they are remarkably contented with their system of fiscal government. With such an example of prosperity as this before us, produced and materially promoted under a different system, it may reasonably be questioned if an universal application of the principle of free trade is suitable to every nation and people, and I therefore venture to say that in presence of the fact that the people of this country are so largely dependent on agriculture for their livelihood, the return from which is so miserably poor, that, instead of taking raw cotton imported for the purpose of manufacture, or removing the tax on piece-goods imported, Government should in every way in its power give encouragement to the improvement and extension of the manufacturers of this country, for the national benefits that accrue from them. With these remarks I shall have pleasure in supporting the resolution, which, I hope, will be carried unanimously. (Applause.)

Mr. BICKERDIKE (of Messrs. Knoop & Co.) said that, as he did not intend to be unanimous, he would make the few remarks he had to make at once. He was glad at first to see that Mr. Maxwell put aside the question of free trade, but had been obliged afterwards to bring it in; and the other speakers following in his wake had also done so. It was not, however, a question either of free trade or protection. They lost, he thought, a great deal by

comparing England with India. England was an old country, with an accumulated wealth of energy and skill, while India—though by no means a new or a young country—was only growing in its industries and developments; and to adopt a restrictive policy, the Government at times were obliged to, from necessity. India had to work her way up, and when a new country desired to raise herself up, she must adopt a protective policy. It had been shown that a 5 per cent. duty did not act with protective effect upon coarse cotton manufactures imported. If so, he could not see how it could act so in the import of raw cotton. The higher the article, the better able it was to bear a larger duty. Now, he did not suppose that the 5 per cent. duty would interfere with the development of the higher classes of industry. If coarse cotton goods could bear a duty of 5 per cent. the higher class of cotton could bear more, and he did not see why raw material like long-stapled cotton should not bear such a duty. They were told in the Memorial by the Millowners' Association that some of the owners had not altered their machinery for more than 20 years. Now, if this was so, it was not possible for them to say what their mills could do. Mr. Bickerdike has seen thirties twist spun out of Dhollera cotton, and there was no reason why that could not be done here. It was implied that the duty was imposed simply to conciliate Manchester, and if so, he would have been disinclined to oppose the resolution, but he would much rather believe the words of Lord Northbrook "we abolish restrictions upon the application of capital and the exercise of industry and skill, and the principal object of our policy is to give full and free scope to the energies of the people of India." If the duty has any effect at all, that effect would be to give a stimulus to the production of cotton in this country, and he thought that there would be more real good done, if, instead of the tax being removed, it was raised higher. The real wealth and greatness of India rested on her agricultural powers, and that he looked upon as a very solid reason for opposing the resolution. If the manufacturers of India could get their cotton in this country, they would gain more than by remaining dependent upon other countries for their supply of long-stapled cotton. The supporters of the resolution said that long-stapled cotton could not be raised here, but in Dharwar and Compta, where it could be raised, it was not the fault of the staple, but the state in which it was brought to market. If the interests of the producers could be enlisted in bringing the cotton to market in a purer state, far higher numbers could be spun in this country. The Memorial stated that Dharwar Sawginned was not much used either here or in England for manufacturing purposes, but was nearly all exported to Russia, where it was chiefly used for padding military coats. Now, besides having seen thirties twist spun in England out of Dharwar cotton, and although he had been in many parts of Russia, he never saw this cotton stuffed in military coats, but he had seen Mr. Maxwell's own cotton being spun in the Russian mills. Mr. Bickerdike concluded by saying that he objected to the resolution, simply because it injured no one, and because it would have the effect of improving the growth of cotton in India.

Mr. NOWROJEE FURDOONJEE said that if he comprehended rightly, the last speaker was of opinion that the effect of the duty of 5 per cent. would be to give an impetus to the produce of cotton here. Attempts, however, had repeatedly been made to grow long staple in this country, but had all signally failed, and he failed to see how this duty, which was imposed for the purpose of prohibiting the import of long staple, would have the effect of improving the growth of long-stapled cotton when all such attempts had so signally failed. They had failed, not from want of skill, but from the peculiarities of the climate which were unsuitable to the production of long staple, which description of cotton was best raised in countries like Egypt and America. It was clear that when Government sought to impose a heavy duty upon such imports, the obvious tendency was greatly to check the growth of the manufacturing industry in India, which was in its infancy. This was much to be deplored, and the Government of India ought to give a help to a rising industry; and have a regard for the interests of India which could best be served by their abstaining from doing anything to check the growth of its rising industry. Mr. Nowrojee agreed with the previous speakers that it was a step in the wrong direction, that it was a retrograde step interfering with the industry of the country, and that the tax ought not to be imposed, and concluded by observing that if the Chamber passed the resolution unanimously, it would be conferring a great obligation upon the people of India. (Applause.)

Mr. J. H. LATIMER, Secretary, Anglo-Indian Mill, said—I had no intention of addressing this meeting when I came here this afternoon, but it appears to me, after listening to the speakers who have addressed you, that there are a few considerations which have not been referred to, and which the manifest injustice of this act suggests. It appears to me to be a measure which, if allowed to pass without strong protest, may in the future be applied to other industries as a precedent. (Hear, hear.) You are all aware that manufacturing enterprises of different kinds are slowly but surely finding footing in Bombay. I need not remind you that we have now in addition to our cotton manufactures other industries in course of development, such as silk spinning and hemp and jute manufacturing. These may become staple trades, and our English competitors in Macclesfield and Dundee might just as reasonably bring their social and political influence at home, to bear on these industries by prohibitive duties or the passing of some enactment which would cripple the development of these trades. We have to look at this imposing of a duty on the raw material then, as a matter of principle more than as an immediate disadvantage. The question as to whether it would be commercially advantageous and profitable to introduce foreign cotton and manufacture it, is one upon which there are differences of opinion; but there is, in this attempt to stifle the introduction, a kind of presumptive evidence that the Manchester people at least believe that it is practicable. I am not aware that any agitation was set on foot by the jute manufacturers of Dundee

when they found, as they do now, that the Calcutta mills were simply shutting them out of the Eastern trade; and it seems illiberal to require that, for the sake of Manchester, a policy of prohibition should now be initiated. But there is another consideration and that is, that it is clearly unfair to those who have invested their money in mills in Bombay on the faith that English legislation would never touch them prejudicially. It alters the value of an investment entirely if it is found that the possibilities which were contemplated are without warning or preparation shut out. It is a weakening of the native faith in the integrity of British rule, and if for no other reason it should on these grounds be abandoned. It belongs not only to those who are immediately connected with mills to resist this measure, but it is also the interest of all classes, because along with a prosperous industry there is benefit to outsiders in the enhanced value of their land and buildings in the vicinity, and to the working classes wider fields of employment. I think then that every effort should be made to induce Lord Northbrook to bring about a repeal of this portion of the Act, because the policy is unsound, and because it is unfair. (Applause.)

Mr. MAXWELL, in reply to Mr. Bickerdike, said that he had been misunderstood by that gentleman. He had never said that it was not a protective duty, but that it was unnecessary just then to consider it in that aspect. Both Mr. Bickerdike and Mr. Fogo had very curious ideas of free trade, and there was no duty ever levied in Russia or America on raw cotton. Mr. Bickerdike had made a statement that thirties had been spun out of Dharwar cotton, but he (Mr. Maxwell) had never heard of such being done, and he would like to ask Mr. Bickerdike to state, whether of his own personal knowledge he knew that to be a fact. Mr. Maxwell, after reading a letter in support of his statement, proceeded to say that he had had considerable experience in the growth of long-stapled cotton in India, and so far was it from being successful, that even when a great pressure was brought to bear upon India during the American war, they could not meet the demand, and Manchester was unable to raise a single bale of long staple from India. This protective duty of 5 per cent. was not, he added, a protective duty for India, but was simply imposed for the selfish advancement of Manchester. (Applause.)

The Chairman now put the resolution as proposed by Mr. Maxwell, and seconded by Mr. Graham, which was carried with but two dissentients (Mr. Bickerdike and Mr. C. Poole).

The second resolution was then formally proposed by Mr. Mowat, and seconded by Mr. Sorabjee Framjee Patell, and was carried with but two dissentients as before:—2. "That the Committee of the Chamber of Commerce be requested on behalf of this meeting to submit the foregoing resolution to the Government of India, with a Memorial, praying that the duty of 5 per cent. on raw cotton, not the produce of Continental Asia or Ceylon, imported into British India, be immediately repealed."

To His Excellency the Right Hon. LORD NORTHBROOK, Viceroy and Governor General of India in Council.

The Memorial of the Mercantile Community of Bombay, European and Native, in Public Meeting assembled at the Offices of the Bombay Chamber of Commerce, on Saturday the 11th September 1875,

RESPECTFULLY SHEWETH,—That by the Indian Tariff Act 1875, a duty of 5 per cent. is imposed on Raw Cotton, not the produce of Continental Asia or Ceylon, imported into British India.

That such a duty is contrary to sound principle and good policy, being imposed in restraint of the manufactures of India, and injurious to the general interests of the country.

That such a measure is wholly without precedent in the commercial history of any enlightened country, and has avowedly been adopted "in order to place the Indian manufacturer upon "the same footing as the importer of piece-goods and yarns." If manufactures, in which the process of mixing American cotton with Indian, had acquired a degree of development in India equal to those of England, such a measure would nevertheless have been opposed to good commercial policy. But the manufactures of India have not yet reached so advanced a stage, nor is there a prospect of an early approach even to such perfection. A duty imposed, in the interests of the English manufacturers, for the purpose only of prohibiting the people of India from extending and improving their own manufactures, is a measure which, in the existing state of the native industry, is, your Memorialists respectfully submit, unjust and oppressive, and can only result in permanent injury to the country.

That the duty brings little or no additional revenue to the State, nor, with the slow progress of Indian manufactures, is there any likelihood of its doing so for many years. This point appeared to the Tariff Committee to be so evident that in para. 13 of their Report to the Government of India they remark:—"The prospect "of the finer kinds of yarn and cloth being made with profit or "success is notoriously so remote, and the enterprise so doubtful, "that it is quite unnecessary to take it into present calculation."

That the Government of India has again and again promulgated that the duties on imported piece-goods and yarns are levied for revenue purposes only, and not for the protection of any industry. The policy which the English Government, under similar circumstances, adopted was to replace the sacrifice of the revenue, when Customs duties were abolished in the interest of the consumer, by the imposition of direct taxes, but this seems to your Excellency to be "a policy which would be contrary to the interests of the "people of India, and which no statesman with a knowledge of "India and a sense of responsibility could be found to propose." Except, however, where the differences between India and England render it impossible to carry out the general principles of recent English financial legislation, your Excellency has been pleased to proclaim that those are the principles by which the Government of India is guided.

Now there is nothing in the recent commercial system of England

which, either by precedent or analogy, can be held to warrant the imposition of such a duty. Excise Duties on manufactures are an exploded doctrine equally with protection. While the free-trade policy of England, on the other hand, by removing all restrictions, gave every encouragement to manufactures, it conferred also great benefits on the country, by giving the people cheaper clothing. But the effect of this duty is to restrain the manufactures, and, at the same time, to injure the general interests of the people of India. For, assuming that India could compete successfully with Lancashire in the making of the finer qualities of cloth and yarn, the duty will, by restricting the enterprise and energies of its manufacturers, deprive the Indian consumer of the benefit of such competition. Now the object of all free-trade legislation is the interest of the consumer, and for this object the English Legislature has sanctioned the repeal of protective duties. The repeal of import duties, more especially on articles of such universal use as clothing, confers also like benefits on the consumer; but this requires a healthy competition which, except among the English manufacturers themselves, does not exist in India in the case of the cotton manufactures now imported, for in these neither India nor any other country has yet been able to compete. But such a measure as a duty levied on the raw material entering into a manufacture, not with the object of raising revenue, but avowedly to favour a foreign industry, already in the enjoyment of a monopoly, is an anomaly which in England no statesman has ever ventured to bring forward, and which may be productive in this country of the most mischievous consequences. It has not even the excuse of attracting revenue, if additional revenue were needed, while its tendency is to injure the general interests of the country, and to restrict its manufactures, which, in all countries, but more especially in an agricultural country such as India, it is the duty of the State to encourage.

The cotton manufactures imported into India consist principally of the finer qualities, which are consumed by the wealthier classes, and of which the English manufacturers have practically a monopoly of the supply. The finer cloths made by hand loom weavers out of imported yarn need not be considered, and little of such cloths have yet been made by Indian mills. The importation of manufactures, which last year amounted to nineteen millions sterling, is annually increasing, and will, your Memorialists believe, with improved and extended communications, continue to increase. But the progress of an industry, particularly in a country such as India, is necessarily slow. While several of the mills formed in Bombay a year or two ago have been placed under liquidation, not one additional spindle has been added to the local industry in the last twelve months, and there is no likelihood of any new mills being established, save under circumstances much more encouraging than at present.

Your Memorialists believe that the duties on imported piece-goods and yarns cannot act as a protection to native manufactures, and to this opinion the Government of India also adheres. But in order to compensate the English manufacturers for these duties,

from the repeal of which it is doubtful if the consumer would, in the absence of any competition besides that of the English manufacturers among themselves, derive much if any benefit, a permanent injury is inflicted on India, by the restraint of its manufactures, and by imposing a duty which is calculated to have all the evil effects on the consumer of a protective duty, without any of the advantages which a country, and its manufacturing interests, derive from such a duty. If considerations of public policy prevent the Government of India from abolishing the import duties on piece-goods and yarns, which are admittedly light in their incidence and are attended with no perceptible injury to any interest, while the commodities themselves are subject to no other competition, these considerations do not involve the necessity of a measure restricting native manufactures, which, on the contrary, ought to receive every encouragement from the State.

Now, in comparing the relative positions of the Lancashire and Indian manufacturers we find that the latter labour under many disadvantages. With the aid of cheap money and an unlimited supply of skilled labour, the Lancashire manufacturer can erect a mill at a much less cost than his Indian rival. The Indian manufacturer, from the difference in climate, the high temperature, and dry atmosphere, which, it is well known, are unfavourable to both spinning and weaving, is obliged to build more commodious and better ventilated mills, than is necessary in England, and he has, moreover, to pay a much higher price for his machinery. Freight, agents' commissions, landing and forwarding charges, and breakages more especially in the engines, boilers, shafting, and other heavy portions, greatly increase the cost of the machinery of a mill, while skilled labour for its erection has to be provided at enhanced cost from England. All these tend to make the cost of a mill in India very much greater than the cost of a similar establishment at home. Then, in working the mill, the additional cost of fuel, European superintendence, and, exclusive of fuel, the extra cost of steam power in India, place the Indian manufacturers at a great disadvantage compared with those of Lancashire, although the latter are loud in their complaints to the contrary.

That a duty on raw material imported for the purposes of manufacture is opposed to that sound principle of the commercial policy of England and other enlightened nations, which requires the State to give every encouragement to the development and extension of native manufactures. Thirty years ago, the duty on raw cotton imported into England was abolished out of consideration for the permanent prosperity of its manufactures. The great accumulation of the national wealth, which followed that wise and liberal policy, has induced other enlightened nations also to adopt it. The effect of the liberal policy of the English Government has been that the export of cotton manufactures from Great Britain to all other countries has more than trebled since 1845. The fluctuations, again, in the exports of wool, which is largely produced in England itself, show at once the ruinous effect on a manufacture, of duties imposed on the raw material constituting the fabric of it

and the elasticity and vigour of the same manufacture when relieved of the depressing influence of such duties. A duty was imposed on wool, in 1802, and raised to its highest point in 1819. The consequence was that it occasioned, during its continuance, a considerable decline of the export of the woollen and worsted manufactures, which continued for some time, even after the duty was repealed. In 1800, a year or two before the duty was first imposed, the value of the exports of woollen and worsted goods was £6,917,000: in 1830, notwithstanding that, since 1825, the duty on Colonial wool had been abolished, it fell to £4,851,000. In 1844 the duty was abolished, and a great revival took place, the exports rising, in 1850, to ten millions; in 1860, to sixteen millions; and, in 1870, to twenty-six millions sterling.

That great as are the social and economic benefits which have resulted from the liberal policy of the more enlightened nations of the West, the advantage which India would reap from an extension of its manufactures can hardly be over-estimated. Its entire population is, it is needless to remind your Excellency, dependent on agriculture for its subsistence, and the Government of Bombay has expressed its opinion that no cause has retarded the material progress of most districts of this Presidency so much as the want of a demand for agricultural produce, and of an outlet for labour, which the establishment of manufactures is calculated to supply.

That the progress of manufactures in a country such as India is, as has already been observed, necessarily slow; but if, happily, a great extension of them should take place the loss of revenue in the duties on imported goods and yarns would be counterbalanced by the saving in exchange which would result from the displacement of imported manufactures by those made in the country.

That England has risen to wealth, prosperity, and greatness, not only by its mechanical inventions and manufacturing industry, but by its wise and beneficent fiscal measures, all tending directly or indirectly to the encouragement of its manufactures; and it behoves the Government of India to give every encouragement to the extension and development of the manufactures of India.

Your Memorialists, therefore, do hereby respectfully protest against the duty of 5 per cent. *ad valorem*, levied under the Indian Tariff Act 1875, on raw cotton, not the produce of Continental Asia or Ceylon, imported into British India, as an unjust and impolitic restriction on the manufactures of India, and contrary to that sound principle of the commercial policy of England, and of other enlightened nations, which requires the State to give every encouragement to the free importation of the raw materials necessary for the development and extension of native manufactures; and they respectfully pray that your Excellency in Council will take immediate measures to expunge from Schedule A, No. 16,

of the Indian Tariff Act 1875, the words "Cotton, Raw, "not the produce of Continental Asia or Ceylon."

And your Memorialists will, as in duty bound, ever pray.

At the request, and on behalf, of the Memorialists,

J. A. FORBES,
Chairman, Bombay Chamber of Commerce.

J. GORDON,
Secretary, Bombay Chamber of Commerce.

Chamber of Commerce, Bombay, 7th October, 1875.

No. 6683 of 1875.

REVENUE DEPARTMENT,

BOMBAY CASTLE, *29th November*, 1875.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—With reference to your letter, dated 14th October 1875, submitting a Memorial from the mercantile community of Bombay protesting against the duty of 5 per cent. *ad valorem* levied under the Indian Tariff Act 1875 on raw cotton, not the produce of Continental Asia or Ceylon, I am directed to forward the accompanying copy of the reply received from the Government of India, together with a copy of their previous communication therein referred to.—I have, &c.,

D. MACKENZIE,
For Acting Secretary to Government.

No. 2366.

FINANCIAL DEPARTMENT,

FORT WILLIAM, *12th November*, 1875.

To the SECRETARY to the GOVERNMENT of BOMBAY.

SIR,—I am directed by the Hon'ble the President in Council to acknowledge the receipt of you letter No. 6032, dated 26th October, together with a Memorial from the mercantile community of Bombay, dated 7th October, protesting against the duty of 5 per cent. *ad valorem* levied under the Indian Tariff Act 1875 on raw cotton, not the produce of Continental Asia or Ceylon, and praying for its repeal.

2. In reply, I am desired to request that a copy of my letter to your address No 4034, dated 14th October, may be communicated to the Memorialists.

3. In that letter the Governor General in Council explained, with reference to a Memorial from the Bombay Millowners' Association, the policy by which the Government of India was actuated in imposing the duty upon raw cotton to which the Memorialists take exception. The President in Council hopes that after reading it the mercantile community of Bombay will be satisfied

that the duty was not "imposed in restraint of the manufactures of India," but simply, as a precaution, for the protection of the considerable revenue derived from the duty levied on imported cotton goods made from the raw material now made subject to taxation.

4. A copy of the Memorial and of this reply will be forwarded for the consideration of the Secretary of State for India.—I have, &c.,

R. B. CHAPMAN,
Secy. to the Govt. of India.

No 4034.

GOVERNMENT OF INDIA.

FINANCIAL DEPARTMENT.

Separate Revenue.

CUSTOMS.

SIMLA, 14*th October*, 1875.

To the CHIEF SECRETARY to the GOVERNMENT of BOMBAY.

SIR,—I am directed by the Governor General of India in Council to acknowledge the receipt of a Memorial from the Bombay Millowners' Association transmitted by the Government of Bombay on the 23rd of September.

2. The Government of India are gratified to find that the Memorialists express their appreciation of the benefits which the Legislature has been able to confer upon the trade of India by the recent Tariff Act.

3. The Memorialists pray that the duty of 5 per cent. *ad valorem* imposed upon raw cotton, not the produce of Continental Asia or Ceylon, may be remitted; and give the reasons why, as owning or interested in the cotton spinning and weaving mills of the Bombay Presidency, they entertain strong objections to that duty.

4. In enumerating those objections the Memorialists state that the duty has been imposed for the "express purpose of preventing "the Indian manufactures from rising above their present level," and to "discourage and prevent their improvement and extension;" that this, moreover, has been done "for the benefit of a foreign "industry," that is to say, for the benefit of the cotton manufactures of England. In other words, the Memorialists believe that the duty is a protective duty, imposed in favour of English cotton manufactures to the prejudice of the cotton manufactures of India.

5. In order to show that such is not the case, it is only necessary to remind the Memorialists that cotton manufactures imported into India pay a duty of 5 per cent. *ad valorem*. The imposition of a duty of 5 per cent. *ad valorem* upon foreign raw cotton was only intended, as was stated in the Government Resolution of the 12 of August last, to place, so far as is practicable, Indian and foreign manufactures of the higher qualities of cotton goods upon the same footing as regards taxation.

6. The circumstance that the interest of the revenues of India

happen in this particular point to be coincident with the interests of the producers of cotton goods imported into India appears to have misled the Memorialists into fixing their attention solely upon the latter class of interests, while in framing their measures the Government of India had regard to the former. Thus there has been a misapprehension of the views which influenced the Government of India and the conclusions at which they arrived upon the whole subject of the tax upon cotton manufactures; and I am therefore directed to make some further observations upon the subject.

7. The report of the Tariff Committee showed that the cotton goods imported into India mainly consist of the higher qualities, which cannot be manufactured from the cotton grown in India. This opinion was formed after a careful examination of the statistics of the trade. Out of a total duty of more than £800,000 collected in the year 1873-74 from the imposts of cotton goods, the Committee calculated that only £40,000 was paid upon the class of goods that can be manufactured from the indigenous staple. The Memorialists, who have the best opportunities of knowing the facts, say that the attempts made by the Indian manufactures to make the finer descriptions of cotton manufactures and yarn from Indian cotton have proved unremunerative and have been abandoned

8. From calculations made in England, which are quoted in the Resolution of Government of the 12th of August, it appears that about half the whole quantity of cotton goods consumed in India is produced either by hand-loom weavers or in Indian manufactories from Indian cotton, and that the remainder, consisting mainly of higher qualities, is imported from England.

9. The revenue derived from the imported cotton goods amounted last year to £900,000, and the Government of India felt themselves unable to sacrifice this revenue.

10. Up to the present time Indian manufacturers have, as the Memorialists observe, confined their operations to working up indigenous cotton; but the Government of India understood from the advertisements of some of the Bombay cotton mills that it was intended to extend their operations, and to use American cotton for the purpose of producing higher qualities of goods. This is confirmed by the information now supplied by the Memorialists.

11. The Government of India look with great satisfaction upon the extension of manufactures in India, but they are bound at the same time, in the interests of the public at large, to protect the revenue now derived from the higher qualities of cotton goods. It is obvious that all such goods manufactured in India would, unless some tax be imposed upon them, escape payment of the duty now imposed upon similar goods imported from abroad, and that the revenue would suffer in proportion. If Indian manufactures of this class, as the Memorialists seem to anticipate, should largely increase, this important source of revenue would be seriously affected.

12. In order, therefore, to protect the revenue, a duty of 5 per

cent. upon foreign raw cotton imported into India was imposed, so that the same rate of duty might be levied upon all higher qualities of cotton goods, whether produced in India or imported from abroad.

13. The Government of India were aware that, as stated by the Memorialists, the quantity of foreign cotton hitherto imported into India and used in the Indian Manufactures is but trifling. The Memorialists appear to be of the opinion that the precaution of imposing a duty upon such cotton was unnecessary, at any rate for the present; but the Government of India considered that it was more fair to the Indian manufacturers to impose the duty at once when it could create little or no hardship, than to leave its imposition to some future time when capital might have been largely invested in the manufacture, and the trade might suffer a serious injury from the imposition of a new tax.

14. The Government of India have only followed the well-recognized principle that, in order to protect an important source of revenue, it is necessary to impose a tax upon articles manufactured within the limits of the country equal to the duty imposed upon similar articles imported from abroad. The circumstances of the production of the lower qualities of cotton goods did not appear to the Government of India to be such as to make the imposition of an excise upon such goods manufactured in India either necessary or expedient; but cotton manufactures of higher qualities stand in a different position, and the alternative of an import duty upon the raw material was adopted as preferable to any system of excise.

15. The Government of India therefore considered that, in imposing the duty of 5 per cent. *ad valorem* upon raw cotton, not the produce of Continental Asia or Ceylon, they protected an important source of revenue in a manner that is both fair in itself, and the least oppressive and inconvenient to Indian manufacturers.

16. If the Memorialists consider that the duty of 5 per cent. upon foreign raw cotton bears an unequal proportion to the duty of 3½ per cent. upon foreign twist, the Government of India will be prepared to give due attention to any considerations which may be advanced upon this aspect of the question.

17. The Government of India have desired me to explain thus fully the reasons which have led them to impose the duty to which the Memorialists object, and to add that as the Tariff Act has been submitted for the approval of Her Majesty, their Memorial will be transmitted for the considerations of the Secretary of State for India.

18. I am to request that a copy of this letter may be communicated to the Memorialists.—I have, &c.,

R. B. CHAPMAN,
Secretary to the Govt. of India.

(True Copies.)

D. MACKENZIE,
Acting Under-Secy. to Government.

Extract from the Address of the Bombay Chamber of Commerce to His Excellency the Right Honourable Lord Northbrook, G. M. S. I., Viceroy and Governor General of India, presented, at Bombay, on the 6th November, 1875.

We desire also to avail ourselves of this opportunity of expressing to your Lordship the gratitude with which we, in common with the community generally of the Presidency, received the Indian Tariff Act of 1875. The reductions and remissions of taxation conceded by it, while affording relief to trade, will stimulate agricultural production; and we regard the introduction of this enlightened measure as a new era in the commercial policy of the Government of India. We should have been glad if the state of the revenues of India had enabled your Lordship to remit the duties or imported piece-goods and yarns, but the policy of the Government and the general scope of the measure have, we believe, with the exception of one item only, commended themselves to general approbation, as well calculated to promote the interests of the people of India. We regret, however, that a novel and an obnoxious tax, the duty of 5 per cent. on imported cotton, not the produce of Continental Asia or Ceylon, has been introduced into the new tariff. At a meeting of the mercantile community held in the rooms of the Chamber of Commerce on the 11th September last, resolutions were passed that this duty was an unjust and impolitic restriction on the manufactures of India, and it was considered that its imposition was uncalled for in the circumstances of the local manufactures, or of the trade in imported piece-goods and yarns, from the duty on which the revenue, which the Government of India desire to protect, is derived. A Memorial was accordingly transmitted through the Government of Bombay to the Government of India, and we hope that, on reconsideration, your Lordship will be pleased to grant the prayer thereof and repeal the duty.

APPENDIX C.

———:o:———

GOVERNMENT WET DOCKS.

MARINE DEPARTMENT.—No. 400.

BOMBAY CASTLE, *6th April*, 1875.

Resolution of the Government of India, in the Public Works Department, Nos. 112-13-M., dated 25th March 1875.

Read again—

Despatches to Secretary of State, Nos. 123 and 124-P.-W., dated 24th August 1874.

Read also—

No. 16 P.-W., dated 18th February 1875.

From the Secretary of State for India to the Government of India.

I am now in a position to convey to your Excellency the decision of H. M.'s Government on the subject of the project for Wet Docks at Bombay, regarding which there has of late been so much correspondence, and I am glad to be able to add that the decision arrived at very closely coincides with the course of procedure which your Government has from the beginning recommended.

2. As between the two competing sites for the docks, those of the Elphinstone Estate and Moody Bay, I deem the former, in the present state of affairs, to be decidedly preferable. Whatever might at one time have been the recommendations of Moody Bay, its selection now would almost certainly involve a greatly increased expenditure. The plans prepared in connexion with it contemplate an amount of accommodation greatly in excess of the present requirements of the port, while, for want of the protection which the batteries on Cross Island afford to the Elphinstone Estate, the docks in Moody Bay would be more exposed in time of war.

3. A question was raised during an earlier stage of the correspondence which has now almost dropped out of view, whether the Musjid Basin should, in conjunction with, or in substitution for, the Elphinstone Basin, be converted into a dock. After a careful consideration of the estimates and reports submitted to me, and of the reasons for a different opinion advanced by the Bombay Government on one side, and the Port Trust on the other, I agree with your Excellency in thinking that the conversion of the Elphinstone Dock alone will best meet the exigencies of the case.

4. In now authorizing the construction of the Elphinstone Dock,

I am anxious that the sanction thus conveyed should be understood as applying to the scheme as a whole, and by no means as intended to shackle the discretion of the Government of Bombay, or of the Port Trust acting under the control of that Government, in regard to modification of details.

5. With respect both to the best position and the best shape for the dock entrance, and also to the expediency of replacing the existing earthen face of the Elphinstone Basin by a wharf wall of masonry, the opinion expressed by different authorites, and even by the same authority at different times, are so widely at variance with each other, that I could not profitably assume the responsibility of deciding between them. The determination of these and of other unsettled minor points may advisably be left to the local authorities, as being the most directly interested in the success of the docks, subject only to the general condition that the works shall be so designed that the final estimates shall not exceed the sum named in a subsequent para. as that which may be granted as a loan for the object. A copy of a paper drawn up by Mr. Ormiston, in explanation and support of his own individual views on various matters, is, however, enclosed herewith for information.

6. Unfortunately, extreme differences of opinion are not confined to details, but extend even to so vital a particular as that of the cost of the whole undertaking, the estimates for which range from 58 to 76 lakhs. It may be safer to overrate than to underrate the requisite expenditure, and provisionally to accept the larger of the amounts named as the one most likely to prove correct. Your Government is therefore authorized,—after a final project and revised estimate have been prepared and sanctioned by the local Government in compliance with the 36th Section of Act I. of 1873, showing that the conditions as to the total cost will be fulfilled as far as can be foreseen,—to make to the Bombay Port Trust a loan not exceeding 76 lakhs, on the security not simply of the dock dues, but of all other revenues of the Port Trust, from whatever source derived.

7. I shall now, in pursuance of the desire expressed in your Excellency's letter No. 89, of 15th June last, authorize Mr. Ormiston to make such arrangements in regard to the provision of plant and otherwise as may be requisite in this country, with a view to commencement of actual work in the Elphinstone Basin after next monsoon.

Dated 7th January, 1875.

Memo. by T. Ormiston, Esq., M. Inst. C. E., Chief Engineer, Bombay Port Trust, on Native Craft Anchorage, Bombay Docks.

The alleged disturbance of the Native Craft Anchorage has been disproved by the Trustees, who have reported that there is plenty of room in the Harbour to re-arrange the anchorage without practical inconvenience wherever the channel or the docks may be placed.

2. It has been affirmed nevertheless that, if Moody Bay be selected as a site for docks, the Native Boat Anchorage would not

be affected, but the plan of the anchorages of the native craft, recently forwarded by the Bombay Government to the Secretary of State, shows that the construction of a dock in Moody Bay would do away with the present "Inshore Native Anchorages" there, containing 63 acres, whereas the Elphinstone Dock (taking 700 feet as an ample width for the Elphinstone Channel) would only disturb anchorage containing an area of 15 acres. With respect to the alleged disturbance of the wharfage for native craft by the construction of the Elphinstone Dock, I have shown in my Report No. 250, dated 8th August 1874, that setting aside the dock site, there would still be left 50 per cent. more wharfage length, and that of a better description than there was prior to the commencement of the Elphinstone Reclamation, when the traffic was much the same as it is at present.

3. With respect to this question generally, I beg to submit the following remarks, viz. :—

(*a*).—Steamers are displacing sailors in the coasting trade; and steamers, which must have quick despatch, will certainly go into docks or basins, if these are available.

(*b*).—When the docks come into use, the present large fleet of cargo boats will be no longer required, consequently smaller anchorages than at present will then suffice.

(*c*).—The Native boats lie, in their present anchorages, in the stream, because the present basins are dry at low-water, and the build of the vessels does not admit of their being left high and dry with safety.

(*d*).—It has been my intention, when the proper time arrived, to propose that the existing basins be deepened to 6 feet at low-water. If this were done, the Native boats would lie inside the basins, and special areas for anchoring in the stream would be no longer required.

(*e*).—I am, therefore, of opinion that the question of Native boat anchorages need not be further considered, and, indeed, that it need never have been seriously entertained.

CHANNELS.

4. The scheme I recommended to be carried out in the first instance is the Elphinstone Dock. The project includes deepening both the Elphinstone and Southern Channels to 12 feet at low-water springs. The estimate for the channel works is £64,193, exclusive of contingencies, establishment, and accruing interest.

5. The scheme recommended by the Trustees is also the Elphinstone Dock, but it includes a southern channel only, the estimate for the works of which is £96,968 exclusive of contingencies, establishment, and accruing interest.

6. The greater cost of the Trustees' Southern Channel, as compared with both of mine, is because of its being made 15 feet deep at low-water of springs; this increases its length, besides which, the width required for a navigable channel for large vessels involves a considerable amount of rock excavation under water, which is an expensive kind of work. The Elphinstone

Channel being sheltered by Cross Island, and being further up the harbour, has less "sea" than the Southern Channel, and I understand that it is partly on that account, and partly because the bottom is in places rocky, that the Trustees required their Southern Channel to be made 3 feet deeper than the Elphinstone Channel.

7. I have recommended the Elphinstone Channel as the approach to the Elphinstone Dock for several reasons, such as—

(*a*).—It is cheaper than the Southern Channel.

(*b*).—It is shorter and more direct.

(*c*).—It is more sheltered from the south-west monsoon swell.

(*d*).—It has no rock either on its bed or at its sides, and may therefore be deepened or widened, if required, at a moderate cost.

(*e*).—Should vessels take the ground on its bed, they would receive no damage, being water-borne on a soft bottom.

(*f*).—It is a general regulation that vessels shall be docked on the flood, and in practice they are so, to avoid being caught on the dock sill. The current of the flood-tide in the Elphinstone Channel is against vessels entering, by reason of which they would have steerage way with a small actual speed over the ground. In the Southern Channel, on the contrary, the flood current would run with the entering ship, the actual speed of which would, therefore, require to be considerably increased, so as to give steerage way, without which a free vessel is not under command. It is obvious that it is not desirable to have much way on a large vessel in a crowded harbour making for a dock, and I consider the Elphinstone Channel to be more favourably situated in this respect than the Southern Channel.

(*g*).—The Elphinstone Channel does not interfere with the basins lower down (the Musjid, Nicol, and Carnac basins), into and out of which a large number of coasting vessels are constantly passing at high-water, which is the very time the channel would be used by large vessels to and from the docks, whereas the Southern Channel passes the entrances of all these, and there would be a probability of collision between the vessels going to the docks and those coming out of the basins.

8. Having made these statements, it may appear desirable that I should explain why I include a southern channel at all as part of my scheme. To the extent I propose to go at present, it is a cheap work, and its object is to increase the scour through the Elphinstone Channel. Incidentally, it also improves the inshore navigation for native craft. I may state that it was first suggested to me by Colonel A. Fraser, R.E., C.B., while on special duty at Bombay.

9. The advantages of the Elphinstone Channel are, I believe, generally admitted; whether it be possible to maintain it at a reasonable cost has, however, been questioned. I have already reported on this matter, and do not propose to go at length into it now. I may state, however, that my opinion remains unchanged,

and has strengthened with further consideration of the case, and increased knowledge of the circumstances : it is that the channel may be easily made and maintained. If the channel is to be filled up, the material must come either from the harbour water, or from the banks. As to the former, my experience enables me to state positively that very little deposit is to be expected from the water in Bombay Harbour, at this place ; and as to the latter, the sides of the cutting will take a slope at which they will stand, and from the tenacious character of the material, I believe that slope will be much steeper than I have estimated for.

HARBOUR WALLS.

10. A proposal of the Trustees was to point the dock entrance to the southward, and it then appeared to them feasible to leave out for the present the construction of the harbour wall of the dock for a length of 1,600 feet, the cost of which—including contingencies and establishment—was estimated at £89,550 (say nine lakhs).

11. This position of the entrance, however, the Trustees subsequently abandoned, and instead thereof adopted a position in the south-east corner of the dock, pointing more to the east than their first position, but still down-stream (at an angle of 45 degrees); by so doing, it was only possible to leave unbuilt for the present 1,000 lineal feet of harbour walling the cost of which, including contingencies and establishment, is estimated at £57,000.

12. It ought to be distinctly understood that this so-called saving of £57,000 is not a reduction in the estimate due to any modification of the plans; it is effected by leaving out a piece of work which must be done, if not concurrently with the other works, immediately afterwards, and I do not recommend it to be omitted from the estimate for the following reasons, viz. :—

(*a*).—The sanctioned estimate should be for the complete project.

(*b*).—The wall will give convenient berthage for four canal steamers.

(*c*).—It will pay for itself.

(*d*).—If it be not made, the present bank will probably slide into the new channel.

(*e*).—It is desirable to have deep water along the front to give room for tugs, &c., and to enable the Malet Basin above to be dredged to 6 feet at low-water.

POSITION OF ENTRANCES.

13. I recommend the entrances to be placed square to the frontage line as shown on my original plans. They are found on the Liverpool practice, and give the maximum amount of convenience for entrance and exit. Before settling them, I consulted Captain Henry, Superintendent of the P. and O. in Bombay, and Mr. Newall, Dock Master to the P. and O., who has had great experience in docking large vessels in Bombay ; the plan adopted is the result of our deliberations.

14. I recommend, however, that, instead of the entrances being

placed in the middle of the East Dock wall, as intended by the original plan, they should be near the south end, say 60 feet clear of the south wall of the dock; my reasons for making this alteration are as follows, viz.:—

(*a*).—An earthen dam may be thrown across the present opening, so that the dock walls and entrance works may be commenced sooner than under the original arrangement.

(*b*).—It makes the east wall of the dock continuous, and it is thereby better adapted for berthing vessels advantageously.

(*c*).—It enables the direction of the entrance channel to be made more in the line of the tidal current.

Submitted at the request of Mr. Cassels and Mr. Thornton.

ORDER.—Ordered, that a copy of the foregoing be communicated to the Government of Bombay, in the Marine Department, for information, with reference to correspondence ending with its No. 1125, dated the 7th September 1874.

Ordered also, that a copy, with copy of the Despatch to which it is a reply, be forwarded to the Financial Department for information.—(Signed) J. P. STEEL, Major, R.E., *for* Secretary to the Government of India.

RESOLUTION.—Copies to be sent to the Public Works Department and to the Chairman of the Trustees of the Port, with an intimation that the Government will be glad to receive an early expression of their opinions on the points raised in the 5th and 6th paras. of the Secretary of State's Despatch.

Colonel,
Secretary to Government.

To the Secretary to Government, P. W. Department.
To the Chairman, Bombay Port Trust.

APPENDIX D.

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THE SASSOON DOCK.

BOMBAY, 23*rd August*, 1875.

J. GORDON, Esq., Secretary, Bombay Chamber of Commerce.

DEAR SIR,—Herewith we beg to hand you a list of the charges which we propose making at the Sassoon Dock for the landing and shipping of goods from or to vessels lying in the Dock, and we shall feel obliged by your submitting the same to the Committee of the Chamber for their opinion. Any suggestions that may be made by the Committee shall have our attention, and we shall be glad, in publishing the list of charges, to mention that it has been revised and sanctioned by the Chamber of Commerce if permitted to do so.—We are, &c.,

DAVID SASSOON & Co.

IMPORT RATES.

ARTICLES.	How charged.	Landing & Wharfage Rate.	Rent per Week.	REMARKS.
	℔	Rs. A. P.	Rs. A. P.	
Acids	Case	0 8 0	...	Rent Special.
Ale or Porter ...	Hogshead	0 6 0	0 1 0	
Do. do. bottled ...	Dozen	0 1 0	0 0 3	
Almonds	Cwt.	0 5 0	0 1 0	
Alabaster, Works of Art.	Case, large	0 8 0	0 1 0	
Do. do. do.	„ small	0 4 0	0 0 6	
Alum	Cask	0 5 0	0 0 6	
Anchors	Under 1 ton each	1 8 0	0 4 0	
Do.	„ 2 „	2 0 0	0 4 0	
Anvils	Each	0 4 0	0 1 0	
Antimony	Cwt.	0 2 0	0 0 6	
Anchovies and Sardines.	Dozen Tins	0 0 6	0 0 1	
Apparel, not accompanying Passengers...	Case	0 2 0	0 1 0	
Arrowroot... ...	Case or Package	0 2 0	0 0 6	
Ashes	Cart-load	0 2 0	...	Wharfage only.
Asses or Mules ...	Each	2 8 0	...	

Articles.	How charged.	Landing & Wharfage Rate.	Rent per Week.	Remarks.
	℔	Rs. A. P.	Rs. A. P.	
Agricultural Implements	Ton	1 12 0	0 4 0	
Asphalte	Cwt.	0 2 0	0 0 6	
Bacon	Case	0 4 0	0 1 0	
Bangles	Package	0 2 0	0 0 6	
Bardans (old Gunnies) .	Bundle	0 2 0	0 0 6	
Baskets	Dozen	0 1 0	0 0 6	
Beads and Buttons ...	Case	0 4 0	0 1 0	
Bedsteads, complete ...	European, each	0 8 0	0 2 0	
Do. do. ...	Country ,,	0 2 0	0 0 6	
Ballast	Ton	0 4 0	...	Wharfage only.
Beef or Pork ..	Cask	0 4 0	0 1 0	
Bellows, Smith's ...	Each	0 4 0	0 1 0	
Billiard Tables ...	,,	1 0 0	0 4 0	
Bark	Ton	4 0 0	0 4 0	
Barrels (empty) ...	Each	0 2 0	0 0 6	
Beans	Cwt.	0 2 0	0 0 6	
Bees' Wax... ...	Package	0 4 0	0 1 0	
Bells, large ...	Cwt.	0 8 0	0 2 0	
Do. small, hand ...	Case	0 4 0	0 1 0	
Blacklead	,,	0 2 0	0 0 6	
Bleaching Powder ...	Package	0 4 0	0 1 0	
Blue Stone ...	,,	0 3 0	0 1 0	
Blacking	Doz. Jars	0 2 0	0 0 6	
Blocks, Iron ..	Cwt.	0 4 0	0 0 6	
Baths, small, Iron ...	Each	0 2 0	0 0 6	
Do. Marble ...	,,	0 8 0	0 2 0	
Boats	,,	2 0 0	0 8 0	
Boots and Shoes ...	Case	0 4 0	0 1 0	
Bottles (empty) ...	Dozen	0 0 6	0 0 6	
Boilers, under 5 tons ...	Ton	3 0 0		
Do. 5 to 7 ,, ...	Each	50 0 0	8 ℔ ton.	
Do. 7 to 10 ,, ...	,,	75 0 0		
Do. over 10 ,, ...	,,	100 0 0		
Biscuits, ships' ...	Cwt.	0 2 0	0 0 6	
Do. in Cases ...	...	0 4 0	0 1 0	
Bitters	Dozen	0 1 0	0 0 6	
Block Tin	Cwt.	0 2 0	0 1 0	
Books	Case	0 4 0	0 1 0	
Butter	Case not exceeding 1 cwt	0 2 0	...	
Do.	Do. ½ cwt.	0 3 0	...	
Bath Bricks ...	Case	0 4 0	...	
Bricks	Thousand	2 8 0	0 8 0	
Betelnut	Package	0 2 0	0 0 6	
Bunting	Bale	0 4 0	0 1 0	
Brimstone... ...	Package	0 2 0	0 0 6	
Do.	Cask	0 4 0	0 1 0	
Cables, Chain ...	Ton	2 0 0	0 4 0	
Do. Hemp ...	Cwt.	0 2 0	0 0 6	

Articles.	How charged.	Landing & Wharfage Rate.			Rent per Week.			Remarks.
	℔	Rs.	A.	P.	Rs.	A.	P.	
Camphor	Cwt.	0	2	0	0	0	6	
Cambay Stones ...	Package	0	4	0	0	1	0	
Candles	In Box under 30 lbs.	0	1	0	0	0	6	
Do.	Do. 60 lbs.	0	2	0	0	1	0	
Do.	Boxes packed in Case.	0	8	0	0	2	0	
Canes, Rattans ...	Ton	1	8	0	0	4	0	
Do. Malacca ...	Dozen	0	2	0	0	0	6	
Canvas	Bale	0	6	0	0	0	6	
Calicoes	Case or Bale	0	5	0	0	1	0	
Caps, Percussion ...	,,	0	4	0		...		Rent Special.
Cards, Playing ...	,,	0	4	0	0	1	0	
Carriages	4 Wheeled	10	0	0	2	0	0	
Do.	2 ,,	6	0	0	1	0	0	
Do.	Omnibuses	12	0	0	2	8	0	
Do.	Bycicles	2	0	0	0	4	0	
Do.	Perambulators	1	0	0	0	2	0	
Calavances ...	Cwt.	0	2	0	0	0	6	
Cement	Cask	0	4	0	0	1	0	
Chalk	Cwt.	0	2	0	0	0	6	
Carpets, European ...	Roll	0	4	0	0	1	0	
Do. Persian ...	,,	0	3	0	0	1	0	
China Matting ...	,,	0	4	0	0	1	0	
Clay, China ...	Cask	0	4	0	0	1	0	
Do. Fire	Cwt.	0	2	0	0	0	6	
Do. Country ...	Ton of Boats Tonnage.	0	1	0	0	0	6	Wharfage only.
Do. Figures ...	Case	0	4	0	0	1	0	
Cinnamon	Cwt.	0	2	0	0	0	6	
Cigars	Thousand	0	1	0	0	1	0	
Copperas	Case or Cask	0	4	0	0	1	0	Includes landing & stacking or loading direct.
Coal, Coke, Patent Fuel, Ashes, and Cinders ...	Ton	0	12	0		...		Includes landing & stacking or loading direct.
Cocoanuts	Thousand	2	0	0	0	8	0	
Cider	Dozen	0	1	0	0	0	6	
Clocks	Case, large	0	8	0	0	1	0	
Do.	,, small	0	4	0	0	0	6	
Cheese	Case	0	6	0	0	1	0	
Coffee	Cwt.	0	2	0	0	0	6	
Chutney	Dozen	0	1	0	0	0	6	
Cloves	Package	0	2	0	0	0	6	
Confectionary, European, and Preserved Fruits, &c., candied.	Case	0	4	0	0	1	0	
	Dozen	0	1	0	0	0	6	
China Preserves ...	Case	0	4	0	0	1	0	
Copra (Dried Cocoanuts)	Cwt.	0	2	0	0	0	6	
Corks	Case or Bale	0	4	0	0	1	0	
Cocoons	,, or Bundle	0	4	0	0	1	0	

Articles.	How charged.	Landing & Wharfage Rate.			Rent per Week.			Remarks.
		Rs.	A.	P.	Rs.	A.	P.	
Cod Fish ...	Case or Bundle	0	2	0	0	0	6	
Cotton Piece Goods ...	Bale or Case	0	5	0	0	1	0	
Compasses, Ships' ...	Each	0	1	0	0	0	6	
Coral	Cwt.	0	4	0	0	1	0	
Coriander Seed ...	„	0	1	0	0	0	6	
Cowries and Shells ...	„	0	4	0	0	0	6	
Coir, Rope, Cable, and Cordage ...	„	0	2	0	0	0	6	
Coir, Fibre or unmanufactured... ...	„	0	4	0	0	1	0	
Cutlery	Case	0	4	0	0	1	0	
Cochineal	„	0	5	0	0	1	0	
Copper or Yellow Metal, Slabs or Tiles ...	Ton	2	4	0	0	4	0	
Do. Sheet ...	Case of 5 cwt.	0	8	0	0	2	0	
Do. „ ...	„ 10 „	1	0	0	0	4	0	
Do. Japan in Cases.	„	0	1	0	..			
Crockery Ware ...	Crate	1	0	0	0	4	0	
Do. ...	Cask, large	0	12	0	0	3	0	
Do. ...	„ middling	0	8	0	0	2	0	
Do. ...	„ small	0	4	0	0	1	0	
Castings, under 2 tons...	Ton	1	12	0	0	4	0	
Cloth, Woollen ...	Bale or Case	0	5	0	0	1	0	
Dammer ...	Cwt.	0	2	0	0	0	6	
Dates... ...	„	0	2	0	0	0	6	
Dishes, Wooden ...	Score	0	2	0	0	0	6	
Diamonds	*Ad valorem*	..			...			
Drugs, Medicines ...	Case	0	4	0	0	1	0	
Dubbers, Empty ...	Hundred	0	12	0	0	6	0	
Dyeing Materials, Ochre, &c. ...	Ton	2	0	0	0	8	0	
Disinfecting Powder ...	„	2	0	0	0	8	0	
Earthen Ware ...	Crate	1	0	0	0	4	0	
Do. ...	Cask	0	12	0	0	3	0	
Do. Retorts & Piping.	Each	0	1	6	0	0	6	
Do. Tiles ...	Thousand	2	8	0	0	8	0	
Eau-de-Cologne ...	Case	0	4	0	0	1	0	
Eggs	Basket or Case	0	2	0	...			
Ebony	Cwt.	0	2	0	0	0	6	
Elephant Tusks, in Bdls.	Each	0	4	0	0	0	6	
„ „ loose or piece	...	0	1	0	0	0	6	
Engines, Fire, Garden, and Portable ...	Under 1 ton (Per ton.)	1	12	0	0	6	0	Measurement or Weight at option of Dock Authorities.
	2 to 3 tons (Per ton.)	2	4	0	0	8	0	
	3 to 4 tons (Per ton.)	2	8	0	0	8	0	
Do. Locomotive ...	Each	100	0	0	10	0	0	
Do. Tender ...	„	75	0	0	7	0	0	
Fans	Case	0	4	0	0	1	0	
Feathers	„	0	4	0	0	1	0	
Flour	Cask	0	4	0	0	1	0	

Articles.	How charged.	Landing & Wharfage Rate. Rs.	A.	P.	Rent per Week. Rs.	A.	P.	Remarks.
	℔							
Flags	Bale	0	4	0	0	1	0	
Flagstones	Ton	2	0	0	0	8	0	
Felt	Case	0	4	0	0	1	0	
Fibre, Coir... ..	Cwt.	0	4	0	0	0	6	
Fireworks	Package	0	8	0		...		Rent Special.
Fishmaws & Shark Fins.	Cwt.	0	4	0	0	1	0	
Flax	Bale	0	4	0	0	1	0	
Fowls	Dozen	0	1	0	0	0	6	
Fruits, in Bag ...	Cwt.	0	2	0	0	0	6	
Gallnuts	...	0	2	0	0	0	6	
Galvanized Iron Cases...	Each	1	0	0	0	4	0	
Garlic	Cwt.	0	2	0		...		
Ghee	„	0	2	0	0	0	6	
Gilt Mouldings ...	Case	0	4	0	0	1	0	
Glass ... {	Hogshead or Crate }	1	0	0	0	4	0	
Do.	Small Cask	0	4	0	0	1	0	
Do. Bottles, empty ...	Dozen	0	0	9	0	0	6	
Do. Window ...	Case	0	2	0	0	0	6	
Do. Plate... ...	Small Case	0	8	0	0	2	0	
Do. do.	Large „	1	0	0	0	4	0	
Gold Leaf... ...	Box	0	4	0	0	1	0	
Grain, Wheat, and Rice, in Bags	Each ½ cwt.	0	0	6	0	0	6	
Do. do. do. ...	„ 1 cwt.	0	1	0	0	0	6	
Gravel and Sand ...	{ Register Tonnage of Boat. }	0	4	0	0	1	0	Wharfage only.
Grease	Cwt.	0	2	0	0	0	6	
Grindstones, under 2 ft. diameter	Each	0	2	0	0	1	0	
Do above and under 4 ft. diameter	„	0	4	0	0	2	0	
Grapes	Case	0	2	0	0	0	6	
Grapnels	Each	0	4	0	0	2	0	
Ginger	Cwt.	0	2	0	0	0	6	
Do. Preserved ...	Case	0	2	0	0	0	6	
Glue	Cwt.	0	2	0	0	1	0	
Gloves	Case	0	4	0	0	1	0	
Guano	Special		...			...		
Gunnies	Bale	0	6	0	0	2	0	
Do.	Bundle	0	1	0	0	0	6	
Gums	Cwt.	0	2	0	0	0	6	
Gunpowder ...	Special		...			..		
Guns, great ...	„		...			...		
Haberdashery and Millinery	Case	0	5	0	0	1	0	
Hams and Bacon ...	Case or Cask	0	4	0	0	1	0	
Do. do. Loose...	Each	0	0	6	0	0	3	
Hardware ...	Cwt.	0	2	0	0	0	6	
Harmoniums ...	Each	2	8	0	0	8	0	

Articles.	How charged.	Landing & Wharfage Rate.			Rent per Week.			Remarks.
		Rs.	A.	P.	Rs.	A.	P.	
Harness	Set	0	4	0	0	1	0	
Hats	Case	0	4	0	0	1	0	
Hay, pressed ...	Truss	0	2	0	0	1	0	
Do. do. ...	Bale	0	4	0		...		
Hemp	,,	0	4	0	0	1	0	
Hessian	Bale	0	5	0		...		
Hides	Package	0	8	0		...		
Horns	Ton	2	0	0	0	4	0	
Horses, Ponies ...	Each	5	0	0		...		
Do. & Cattle Boxes..	,,	1	0	0		..		
Honey, Jars, Kegs, and similar Packages ...	Cwt.	0	4	0	0	0	6	
Hones	Dozen	0	2	0	0	0	6	
Hoop Iron ...	Ton	1	8	0	0	2	0	
Hops	Package or Bale	0	4	0	0	1	0	
Hurdles or Fencing (Iron)	Cwt.	1	12	0	0	4	0	
Ice	Special		...			...		
Ink	Case	0	4	0	0	1	0	
Indigo	Cwt.	0	2	0	0	0	6	
Ironmongery ...	,,	0	2	0	0	0	6	
Iron, Hoop, Rod, Bar, half round, Rails, Chairs, Pig, Sheet ...	Ton	1	8	0	0	2	0	
Do. Pipes ...	,,	2	0	0	0	4	0	
Do. Girders ..	,,							
Do. Galvanized ...	,,							
Do. Wire ...	,,	1	12	0	0	4	0	
Do. Shot ...	,,							
Jagree	Cwt.	0	2	0	0	0	6	
Jars, China or Japan, large ...	Each	0	2	0	0	0	6	
Do. small ...	Pair	0	1	0	0	0	6	
Jewellery	*Ad valorem*		...			...		
Jute	Bale	0	4	0	0	1	0	
Junk (old Rope) ...	Cwt.	0	2	0	0	0	6	
Lard	,,	0	2	0	0	0	6	
Lashings, Bale ...	Bundle	0	2	0	0	0	6	
Lead	Cwt.	0	1	6	0	0	6	
Leather	Case or Package	0	4	0	0	0	6	
Lemonjuice ...	Dozen	0	1	0	0	0	6	
Live Stock, Horses ...	Each	5	0	0		...		
Do. do. Cows ...	,,	2	8	0		...		
Do. Calves, Donkeys...	,,	1	8	0		...		
Do. Pigs, Goats, Sheep, and Dogs ...	,,	0	8	0		...		
Do. Tigers, and such like wild animals.	,,	10	0	0		...		
Do. Other Animals ...	Special		...			...		

Articles.	How charged.	Landing & Wharfage Rate.	Rent per Week.	Remarks.
	℔	Rs. A. P.	Rs. A. P.	
Live Poultry and other Fowls ...	Dozen	0 2 0	...	
Do. Other Birds ...	Special	...	...	
Mace	Cwt.	0 2 0	...	
Machinery, under 2 tons	Ton	1 12 0	0 4 0	Weight or Measurement at option of Dock.
Do. Weight over 2 tons and under 3...	,,	2 0 0	..	
Do. 3 tons and under 4.	,,	2 8 0	...	
Do. 4 tons and under 5.	,,	3 0 0	...	
Do. 5 tons and under 10.	,,	4 0 0	...	
Mill and Foundation-Stones	,,	2 0 0	0 4 0	
Mill Machinery ...	Special	...	...	
Millinery	Case	0 5 0	0 1 0	
Marble Slabs ...	Cwt.	0 2 0	0 0 6	
Do. Sculpture ...	Each	0 8 0	0 2 0	
Matches	Each Case	0 6 0	...	Rent Special.
Mathematical, Surgical, and Nautical Instruments	Case	0 4 0	0 1 0	
Malt	Sack	0 4 0	0 1 0	
Mats, China & Zanzibar.	Roll	0 1 0	0 0 6	
Do. Country ...	,,	0 1 0	0 0 6	
Do. Cane ...	,,	0 2 0	0 1 0	
Melting Pots or Crucibles	Dozen	1 0 0	0 2 0	
Molasses	Cwt.	0 2 0	0 0 6	
Musk	,,	0 2 0	0 0 6	
Milk, Preserved ...	Dozen Tins	0 1 0	0 0 6	
Musical Instruments (small)	Case	0 8 0	0 2 0	
Do. Piano ...	Each	5 0 0	0 8 0	
Do. Harmonium ...	,,	2 8 0	0 4 0	
Do. Organ, entire ...	,,	10 0 0	0 12 0	
Mother-o'-Pearl and Tortoise Shell ...	Case	0 4 0	0 1 0	
Mooring Chains ...	Ton	2 0 0	0 4 0	
Nails	Cwt.	0 1 6	0 0 6	
Naptha	Package of 5 gallons.	0 2 0	..	Rent Special.
Oatmeal, in Bags or ...	Pkg. of 1 cwt.	0 2 0	0 0 6	
Oakum	,, or Bundle	0 4 0	0 1 0	
Oars	Each	0 0 6	0 0 6	
Salad Oil, &c., &c. ...	Dozen.	0 1 0	0 0 6	
Oil and Floor Cloth ...	Package	0 2 0	0 0 6	
Oils	5 Gals. Tin	0 2 0	0 0 6	
Turpentine ...	,,	0 2 0	0 0 6	
Paraffine, Kerosine, Petroleum, &c. ..	5 Gallons.	0 2 0	...	Rent Special.
Oil Cake	Cwt.	0 2 0	0 0 6	

Articles.	How charged.	Landing & Wharfage Rate.			Rent per Week.			Remarks.
		Rs.	A.	P.	Rs.	A.	P.	
Oil Drums, empty ...	Each	0	0	6		...		
Organs, entire ...	,,	10	0	0	0	12	0	
Oranges	Case	0	4	0	0	1	0	
Onions, in Bundles ...	Cwt.	0	2	0	0	0	6	
Opium	Chest	1	0	0	0	4	0	
Do.	Half Chest	0	8	0	0	2	0	
Paints, under 56 lbs. ...	Drum	0	1	0	0	0	6	
Do. ...	Ton	2	8	0		...		
Painters' Materials ...	Case	0	4	0	0	1	0	
Paddy	Cwt.	0	1	0	0	0	6	
Pails	Dozen	0	4	0	0	1	6	
Paper	Case or Bundle	0	3	0	0	0	6	
Pearls	*Ad valorem*		...			...		
Peas	Cwt.	0	2	0	0	0	6	
Pearlash	Keg	0	2	0	0	0	6	
Perfumery, Soap, Sponges, &c. ...	Case	0	4	0	0	1	0	
Photographic Apparatus	,,	0	4	0	0	1	0	
Pianofortes ...	Each	5	0	0		...		
Pictures and Prints ...	Case	0	8	0	0	2	0	
Pipes, Clay ...	,,	0	2	0	0	0	6	
Do. Meerschaum and Fancy ...	,,	0	4	0	0	1	0	
Piece Goods, Cotton ...	Case or Bale	0	5	0	0	1	0	
Do. Silk and Valvet...	,,	0	6	0	0	1	0	
Pitch and Tar ...	Cask	0	4	0	0	1	0	
Plants, Shrubs, &c. ...	Package	0	2	0	0	0	6	
Plated Ware ...	Case	0	8	0	0	2	0	
Plate, Silver ...	*Ad valorem*		...			...		
Plaster of Paris ...	Cask	0	4	0	0	1	0	
Pickles	Dozen Bottles	0	1	0	0	0	6	
Porcelain	Case	0	8	0	0	2	0	
Precious Stones ...	*Ad valorem*		...			...		
Printing Presses, Types, &c.	Ton	1	12	0	0	4	0	
Provisions, Salt ...	Cask	0	4	0	0	1	0	
Do. Preserved ...	Dozen Tins	0	1	0	0	0	6	
Ploughs	Each	1	0	0	0	4	0	
Pork	Cask	0	4	0	0	1	0	
Quicksilver ...	Bottle	0	4	0	0	0	6	
Quills (Pens) ...	Package or Case	0	4	0		...		
Quinine	Case	0	4	0	0	1	0	
Raisins	Box	0	1	0	0	0	6	
Do.	Bag	0	2	0	0	1	0	
Rags	Bundle or Bale	0	2	0	0	0	6	
Reeds	Large Package	0	4	0	0	1	0	
Do.	Small ,,	0	2	0		...		
Rice	Cwt.	0	1	0	0	0	6	
Rope	,,	0	2	0	0	1	0	
Rocking Horses ...	Each	0	8	0	0	1	0	

Articles.	How charged.	Landing & Wharfage Rate. Rs.	A.	P.	Rent per Week. Rs.	A.	P.	Remarks.
	℔							
Rose Water ...	Case	0	4	0		...		
	Carboy	0	1	0		...		
Rosin	Cask	0	4	0	0	1	0	
Rugs, Persian ...	Roll	0	3	0	0	2	0	
Do. European ...	,,	0	4	0	0	2	0	
Saffron	Case	0	6	0	0	1	0	
Saddlery	,,	0	4	0	0	1	0	
Sago	Cwt.	0	2	0	0	0	6	
Sails	,,	0	2	0	0	0	6	
Sailcloth	Bale	0	6	0	0	0	6	
Salt	Ton	1	0	0	0	3	0	
Saltpetre	Cwt.	0	2	0	0	0	6	
Sand	Tonnage, Boat's Register	0	6	0		...		Wharfage only.
Seeds	Cwt.	0	1	0	0	0	6	
Sewing Machines ...	Each	0	4	0	0	1	0	
Shafts, Wooden ...	Pair	0	4	0	0	0	6	
Shawls	Package	0	4	0	0	1	0	
Shoes	Case	0	4	0	0	1	0	
Shovels	Dozen	0	2	0	0	1	0	
Shooks (Staves) ...	Bundle	0	2	0	0	1	0	
Shot	Cwt.	0	2	0	0	0	6	
Shell Lac	Case	0	2	0	0	1	0	
Silk, Raw	Bale	0	5	0	0	1	0	
Do. Piece Goods and Velvets ...	Case or Bale	0	6	0	0	1	0	
Do. Shawls, &c. ...	,,	0	6	0	0	1	0	
Silver Coin. ...	Case	0	8	0	0	2	0	
Do. Plate ...	*Ad valorem*		...			...		
Skins	Bundle	0	2	0	0	0	6	
Slates	Thousand	2	8	0		...		
Soap	Case ½ cwt.	0	2	0	0	0	6	
Sardines	Doz. Tins	0	0	6	0	0	6	
Sofas	Each	0	8	0	0	2	0	
Soda	Cask	0	4	0	0	1	0	
Spices	Package	0	2	0	0	1	0	
Spectacles... ...	Case	0	4	0	0	1	0	
Samples	Each	0	1	0	0	0	6	
Spades	Dozen	0	2	0	0	1	0	
Spelter	Ton	2	0	0	0	4	0	
Spirits	Pipe, Butt, or Puncheon.	1	0	0	0	3	0	
Do.	Hogshead	0	12	0	0	2	0	
Do.	Cask	0	8	0	0	2	0	
Do.	Dozen	0	1	0	0	0	6	
Statuary	Special		...			...		
Steel	Ton	1	12	0		...		
Stoves and Grates ...	Each	0	8	0	0	2	0	
Stones, Mill. ...	Ton	2	0	0	0	4	0	
Do. Foundation ...								
Do. Lithographic ...	Each	0	2	0	0	0	6	

Articles.	How charged.	Landing & Wharfage Rate.	Rent per Week.	Remarks.
		Rs. A. P.	Rs. A. P.	
Stationery, &c. ...	Case	0 4 0	0 1 0	
Sticks, Walking ...	,,	0 2 0	0 0 6	
Sulphuric Acid ...	,,	0 8 0	...	Rent Special.
Swords	,,	0 4 0	0 1 0	
Sugar, crushed ...	Bag	0 2 0	0 0 6	
Scales and Weights complete (small) ...	...	0 2 0	0 0 6	
Do. do. (large) ...	...	0 4 0	0 1 0	
Tanks (400 Gallons and under)	Each	0 8 0	0 2 0	
Tar	Cask	0 4 0	0 1 0	
Tamarinds ...	Cwt.	0 2 0	0 0 6	
Tarpaulins ...	Each	0 1 6	0 0 6	
Tallow	Cwt.	0 2 0	0 0 6	
Tea	Half Chest	0 1 0	0 0 6	
Do.	Chest 60 lbs.	0 2 0	0 1 0	
Tents	Each	1 0 0	0 4 0	
Thread	Case	0 5 0	0 0 6	
Tiles	1,000	2 0 0	0 4 0	
Tin	Case	0 2 0	0 0 6	
Tongues, Ox ...	Keg	0 2 0	0 0 6	
Tow	Bundle or Bale	0 4 0	0 1 0	
Tombstones complete...	Each	0 8 0	0 2 0	
Tobacco	56 lbs.	0 2 0	0 0 6	
Twist and Yarn ...	Bale or Case	0 5 0	0 1 0	
Toys	Large Case	0 12 0	...	
Do.	Small ,,	0 6 0	...	
Twine	Bundle	0 2 0	0 0 6	
Telegraphic Material ...	Cwt.	0 2 0	0 0 6	
Umbrellas, English ...	Case	0 4 0	0 1 0	
,, Chinese ...	Bundle	0 4 0	0 1 0	
Watches	*Ad valorem*	...	...	
Waggons or Vans ...	Each	10 0 0	2 0 0	
Wines	Dozen	0 1 0	0 0 6	
Do.	Cask	0 8 0	0 2 0	
Do.	Hogshead	0 12 0	0 2 0	
Do.	Pipe, Butt or Puncheon	1 0 0	0 3 0	
Wool	Bale	0 4 0	0 1 0	
Whalebone. ...	Cwt	0 2 0	0 0 6	
Wheels, Carriage ...	Pair	0 6 0	0 1 0	
Do. Railway ...	,,	0 8 0	0 2 0	
Do. Engine ...	,,	1 0 0	0 4 0	
Woollens ...	Bale	0 5 0	0 1 0	
Wood, Spars and Logs.	40 Cubic Feet	2 0 0	0 2 0	
Do. Deals and Boards	10 Running Ft.	0 1 0	0 0 6	
Do. Sleepers ...	Each	0 2 0	...	
Varnish	5 Gals.	0 2 0	0 0 6	
Vinegar	Cask	0 4 0	0 1 0	
Vitriol	Case	0 8 0	...	Special.
Yellow Metal, 5 cwt ..	,,	0 8 0	0 2 0	
Do. 10 do. ...	,,	1 0 0	0 4 0	

EXPORT RATES.

Articles.	How charged.	Wharfage and Shipping Rate. Rs. A. P.	Rent per Week. Rs. A. P.	Remarks.
	℔			
Aloes, in Case, Cask; Seron or Bag ...	Cwt.	0 2 0	0 0 6	
Almonds	,,	0 2 0	0 0 6	
Amba Huldee ...	,,	0 2 0	0 0 6	
Animals, Horses ...	Each	5 0 0	...	
Do. Cows or Buffaloes:	,,	2 8 0	...	
Do. Calves, Donkeys..	,,	1 8 0	...	
Do. Pigs, Goats, Sheep, Dogs ...	,,	0 8 0	...	
Do. Tigers, and other wild animals ...	,,	10 0 0	...	
Do. Poultry ...	Dozen	0 2 0	...	
Assafœtida ...	Cwt.	0 3 0	...	
Ballast, by Carts ...	Cart	0 4 0	...	Wharfage only.
Do. Boats ...	Ton	0 2 0		
Betelnuts	Cwt.	0 2 0	...	
Bloodstones ...	Special	...	...	
Bones	Ton	2 8 0	...	
Broken Glass ...	Cwt.	0 3 0	...	
Camphor	,,	0 2 0	0 0 6	
Cardamoms ...	,,	0 2 0	0 0 6	
Carraway Seeds ...	,,	0 2 0	0 0 6	
Chinaware or Porcelain.	Case	0 4 0	...	
Chutney	Dozen Bottles	0 1 0	...	
Do.	Cask	0 6 0	...	
Cake—Oil, Cotton Seed, Groundnuts, India, Mowa, Rape, or Linseed	Cwt.	0 1 0	...	
Cloves	,,	0 2 6	...	
Cocoanuts... ...	1,000	1 8 0	...	
Do. in Casks or Cases... ...	Cwt.	0 3 0	...	
Coffee, in Bags or Casks	,,	0 2 0	...	
Coir Fibre, Pressed Bales	Each	0 4 0	...	
Coir Fibre, Unpressed. .	Cwt.	0 2 0	...	
Coir Yarn, in Dolls ...	100	0 8 0	...	
Do. Rope... ...	Cwt.	0 2 0	0 0 6	
Do. Coils, exceeding 5 cwt. ...	,,	0 4 0	0 1 0	
Castor Oil... ...	Case	0 4 0	...	
Cotton	Pressed Bale	0 4 0	...	
Do. Bales shipped to Vessels in Harbour.	,,	0 6 0	...	
Do. Waste ...	Bale	0 4 0	...	
Cutch	Case	0 3 0	...	
Condiments, Indian ...	,,	0 4 0	...	
Curry Powder ...	Doz. Bottles	0 1 0	...	

Articles.	How charged.	Wharfage and Shipping Rate.			Rent per Week.			Remarks.
		Rs.	A.	P.	Rs.	A.	P.	
Cambay Stones ...	Special		...		...			
Cigars ...	1,000	0	8	0	...			
Dates ...	Seron	0	2	0	...			
Copper, old ...	Cwt.	0	3	0	...			
Elephants' Teeth or Tusks, loose ...	,,	0	2	0	...			
Do. in cases ...	,,	0	3	0	...			
Flax, Pressed Bale ...	Each	0	4	0	...			
Flour	Cask or Sack	0	2	0	...			
Fishmaws... ...	Cwt.	0	2	0	...			
Furniture, Indian ...	Case not ex. 40 Cub. Ft.	2	0	0	...			
Galls	Cwt.	0	2	0	...			
Ginger	,,	0	2	0	...			
Do Preserved ...	Case	0	4	0	...			
Gingelly Seed ...	Bag	0	2	0	...			
Grass	Pressed Bale	0	4	0	...			
Grass or Rosa Oil ...	5 Gals.	0	2	0	...			
Groundnuts ...	Cwt.	0	2	0	...			
Gums, Bundles ...	,,	0	2	0	...			
Do. Cases ...	Each	0	3	0	...			
Gutta-Percha ...	Cwt.	0	2	0	...			
Hides (Salted) ...	100	1	0	0	...			
Do. Dry... ...	,,	2	0	0	...			
Hemp	Pressed Bale	0	4	0	...			
Horns	1,000	2	0	0	...			
Horses'	Each	5	0	0	...			
Hingda	Cwt.	0	2	0	...			
Indigo, Chest ...	Each	0	4	0	...			
Do. Serons ...	,,	0	2	0	...			
Iron, old	Cwt.	0	1	0	...			
Ivory	Package	0	4	0	...			
Do. loose... ...	Ton	2	8	0	...			
Jellies and Preserves ...	Doz.	0	1	0	...			
Jute	Pressed Bales	0	4	0	...			
Linseed	Cwt.	0	1	0	...			
Mats	Package	0	2	0	...			
Mace	Cwt.	0	2	0	...			
Myrabollams ...	,,	0	2	0	...			
Mother-o'-Pearl (Shells)	Ton	2	0	0	...			
Nux Vomica. ...	Cwt.	0	2	0	...			
Opium	Chest 140 lbs.	1	0	0	...			
Do.	½ Chest	0	8	0	...			
Oil, Castor, Cocoanut, Gingelly, &c. ...	Cwt.	0	2	0	...			
Oil, Paint, Terpentine, Kerosine and others.	Of 10 Gals.	0	2	0	...			
Olibanum	Package	0	2	0	...			
Onions	,,	0	0	6	...			
Pepper	Bag	0	4	0	...			

Articles.	How charged.	Wharfage and Shipping Rate.	Rent per Week.	Remarks.
	℔	Rs. A. P.	Rs. A. P.	
Potatoes	Basket	0 0 6	...	
Piece Goods ...	Case or Bale	0 5 0	...	
Rags	Bale	0 4 0	...	
Rapeseed	Cwt.	0 1 0	...	
Rattans	„	0 2 0	...	
Rice	„	0 1 0	...	
Salt	Ton	1 0 0	...	
Sandalwood ...	Cwt.	0 2 0	...	
„ Oil... ...	5 Gals.	0 1 6	...	
Seeds	Cwt.	0 1 0	...	
Silk, Raw	Case or Bale	0 5 0	...	
Skins, Tanned ...	Package	0 4 0	...	
„ Sheep and Goat.	„	0 2 0	...	
Spices	Cwt.	0 2 0	...	
Sugar	Bag	0 2 0	...	
Tea	Chest 60 lbs.	0 2 0	...	
„	½ Chest	0 1 0	...	
Teelseed	Cwt.	0 1 0	...	
Waste, Cotton ...	Bale	0 4 0	...	
Wheat	Cwt.	0 1 0	...	
Wool	Bale	0 4 0	...	

Bombay, *6th September*, 1875.

J. Gordon, Esq., Secretary, Chamber of Commerce, Bombay.

Dear Sir,—As promised, we beg to hand you herewith a copy of the Sassoon Dock Regulations, and one of the proof copies of the rates corrected by Mr. Shackell, the Superintendent of the Dock. These corrections are, however, all subject to the revision of the Chamber, and any alterations made by the Committee will be accepted by us. We may mention that in consideration of what was pointed out to us with reference to extra charges incurred on grain and seeds for cartage from the Native Town to the Dock, we shall have no objection to reduce the export rate thereon to six pies per hundredweight.—We are, &c.,

DAVID SASSOON & Co.

SASSOON DOCK REGULATIONS,

To be observed by Commanders, Owners, or Persons in charge of Ships entering the Dock.

It is recommended that all vessels upon entering the Sassoon Dock, should have a Boat and two or four hands in attendance, to assist in running Check ropes to the Pier heads or Buoys, in

addition to the Dock-head Boat; and that the Lifts and Braces should be kept clear for topping or pointing the Yards, all Quarter Boats either lowered down or turned in-board, and Jibbooms got in.

No vessels should enter the Basin without having Two Check-ropes ready, one for the bow and one for the stern; and should the Dock Flag (No. 5 Marryat's Code) be flying, or a red light be hoisted at the Dock-head Flagstáff, denoting that the entrance is not clear, Pilots or Commanders of Vessels should not attempt to come beyond the Buoy Mooring, until such Flag or Light be hauled down.

The Dock Master (or his Assistant) has full power and authority to order all ships or vessels entering the said Dock to be dismantled in such manner as he shall think proper and safe for the vessels entering, and for the prevention of accidents or mischief to other ships, such as topping, bracing, or striking masts and yards, rigging in jibbooms or running bowsprits, getting anchors in-board, and lowering down quarter boats, or housing them, furling sails, &c.; also the ordering of proper and efficient hawsers and moorings. No vessel is allowed to navigate under sail within the Dock Moorings and entrances, and no vessel is to be left without some person on board in charge, otherwise a servant of the Dock will be placed on board and a charge of Rs. 50 will be made. The Dock Master has full power and authority to direct and control the mooring, unmooring, moving or removing of all ships, vessels, lighters, and craft coming into, going out of, lying at the moorings, or position of loading or discharging, being at the entrance or in the said Dock, and in case the owner, master, pilot, servant, or other persons having the care of such ship, or other vessel, shall refuse or neglect to obey any such order or direction, it shall be lawful for the Dock Master, or his Assistants, to moor, unmoor, move or remove such ship, lighter, or other vessel; and the charges and expenses thereof, respectively, shall be paid by the owners. And, in order to keep the Dock entrances at all times clear and free from obstruction, no master or person in charge of any ship, lighter, barge, craft, boat, or vessel of any description whatever, shall place, or permit, or suffer the same to lie at, or within one hundred yards of the Dock entrance or buoys, without the permission of the Dock Master, and on failing immediately to remove his vessel when required so to do, such master or person in charge will incur a penalty.

DECLARATION OF DRAUGHT.

Before entering the Dock, Commanders must declare, in writing, at the Dock Master's Office the correct draught of their vessels, and produce the ship's register. The Commanders of vessels will be held responsible for all damage to other vessels or the docks caused by incorrect statement.

VESSELS ARE IN CHARGE OF THEIR COMMANDERS AND OWNERS.

All vessels lying in the Dock are in charge of the masters and owners, and it is the duty of the officers and crews to transport their respective vessels, under their own responsibility, to or from any

part of the Dock, but always under the direction of the Dock Master, or his Assistants, and to see that gangways are securely placed and all hatches secured at sundown, for which the ship's officers are alone responsible.

The Owner, Master, or other person having the charge or command of any vessel, shall have a Ship-keeper on Deck, to attend the vessel every tide, at least two hours before the time of high water, and one hour after high water, and shall by such Ship-keeper or otherwise, carefully attend to the moorings of the vessel, and to the sufficiency thereof, and cause them to be slackened or hove in from time to time, as may be necessary on the rise or fall of the water to prevent damage being done to that or to any other vessel, or to the Dock Works, and no ship must be removed from her berth without Notice having been given to the Dock Master, and his assent having been first obtained as to the mode and time of removal.

Should damage be done to the Piers, Quays, Dock Gates, Bridges, Walls, Cranes, Mooring Posts, Hoisting Machines, or other Works belonging to the Dock or to the Buoys, Mooring-Chains, or Craft belonging to the Dock by any ship or other vessel navigating therein, the Captain or person in charge of such ship or vessel shall pay for and make good all such damage.

TRIAL OF ENGINES OF STEAM VESSELS.

The working of Ship's Engines for trial cannot be allowed without due notice being given, in writing, to, and permission obtained from, the Superintendent or Dock Master. Masters and owners must be responsible for any damage that may result from the working of their Ship's Engines.

CHARGE AND RESPONSIBILITY OF BOATS.

All boats, barges, &c., are at the risk of their owners, who will be held responsible for any damage by their getting adrift.

BELLS.

Bells must not be struck on board vessels in Dock.

LIGHTS AND FIRES.

Lights and Fires are not allowed on board-ships and vessels in the Dock, except under such Police Regulations as the Dock Master shall sanction.

DOGS.

Dogs must be secured as the Police may direct.

BILGE WATER, BALLAST, DIRT, ASHES, &c.

No bilge water is to be pumped, or ballast, dirt, ashes, stones, bottles, baskets, shavings, oakum, wipings, or other things, to be thrown into the Dock; and no coals or ballast to be taken in or delivered without a sail, tarpaulin, or other approved safeguard be used to prevent the same from falling into the Dock. Masters of vessels before taking in ballast must obtain permission from the Dock Master.

LATRINES, &c.

All the ship's Water-closets must be securely fastened up on the

entry of the vessel, and no use whatever may be made of them during its stay in Dock. Latrines, Urinals, Lavatories, Dust-bins, &c., have been provided on the Dock premises.

HEATING COMBUSTIBLES, PROHIBITION OF GUNPOWDER, &c.

No pitch, resin, tallow, or other inflammable materials shall, on any account, be melted on board-ship, or in boats, or on the quays, except in such manner and in such places as shall be pointed out by the Dock Master, or his Assistants.

No loaded gun is allowed within the Dock, and no gunpowder suffered to remain on board any vessel without permission, nor is any pitch, tar, oil, flax, oakum, straw, shavings, or other inflammable or combustible article allowed to remain on the deck of any vessel, in boats or on the quays.

LANDING OR SHIPMENT OF DANGEROUS GOODS.

No aqua-fortis, oil of vitriol, glonoin oil, nitro-glycerine, petroleum, naptha, photogen, gunpowder, lucifer matches, combustible toys, or other goods of a dangerous character will be allowed upon the Dock premises, unless due notice of the same has been given to the Dock Officers and the character of the contents distinctly marked on the outside of the packages, such goods will be placed on an open space and watched day and night by the Dock Police, and at the owner's expense until removed.

All such goods must be removed upon proper notice from the Dock Officers.

COMPULSORY REMOVAL FROM OUT OF THE DOCK OF SHIPS HAVING ANIMAL MANURE OR OTHER OFFENSIVE CARGOES ON BOARD.

The Dock Master is empowered to order the removal, within two hours, of such ships from out of the Dock.

OPENING AND CLOSING ENTRANCE GATES.

The road gates of the Dock will be opened at 5 A.M., and closed at 6-30 P.M., after which time no person will be allowed to enter or leave the Dock without a Pass.

The crews of vessels in Dock will only be permitted to enter or leave the Dock after the hours of closing by means of a Pass, signed by the Commander or Officer in charge, and countersigned by the Superintendent.

PENALTIES FOR OBSTRUCTING THE DOCK OFFICERS IN THE EXECUTION OF THEIR DUTIES.

Any person who shall obstruct, hinder, molest, or interrupt the Dock Master or other officer, workman, agent, or any person whomsoever employed by the Dock Proprietors, in the performance of his or their duty, or in the execution of any of the works, matters, or things to be done, will be dealt with in accordance with law.

Also, if any person should in any way obstruct, or be aiding or abetting any other person in obstructing, in the execution of his duty or employment, any Constable, Watchman, or other person, having instructions from the Superintendent, or from the Dock Master, in going on board any ship, lighter, boat, or other vessel,

for the purpose of searching for any fire or light, or for discovering theft or embezzlement committed or suspected to have been committed, or for quelling any disturbance or riot therein, or for any other lawful purpose, he will be prosecuted according to law.

LODGMENT OF MANIFEST.

A true copy of the Manifest of the Cargo, signed by the Master or person in charge of the Cargo, must be delivered into the principal Dock Office within twelve hours after every vessel shall enter the Dock, or after the Cargo shall have been reported at the Custom House, whichever shall first happen.

LANDING AND SHIPPING CARGO.

No ship can be allowed to break bulk until her Cargo is duly entered; and the Cargo will, as nearly as possible, be landed according to the strict order in which the Manifests are delivered and entries completed.

The Master of every vessel, or some person appointed by him, or the owner of such vessel, must, during all the time employed in loading or discharging the vessel, remain on board and superintend and assist in the loading or discharging.

SURVEYS UPON GOODS.

Application for a survey on the ship's hatchways, or upon goods, must be made to the Superintendent, and all surveys must be made by Dock Surveyor.

DELIVERY OF GOODS OVER-SIDE.

The delivery of goods over-side will rest with the Master; and he must take such steps as he may think necessary to protect his owners in respect to their freight. All vessels, lighters, barges, boats, or craft conveying such goods are liable to the payment of the full tonnage rates on shipping.

EMPLOYMENT OF WORKMEN AND LABOURERS.

No person will be allowed to be employed in the unloading or loading of vessels within the Dock, except the crews thereof and the servants of the Dock; or in any other work and labour to be performed within the Dock premises—whether on board-ship, in lighters, or on shore, without permission, in writing, from the Dock Superintendent.

BULLION, &c.

Packages of Bullion or Specie, Gold-dust or Jewellery, whether cargo or private property, must be delivered by the Captain, under his own responsibility, unless from their being liable to examination or from other circumstances he may be desirous of placing the same in the Superintendent's charge; in which case such packages, or any other of considerable value, should be particularly specified, and (if Bills of Lading have been granted for them) inserted in the regular Manifest of the ship.

GOODS ON BOARD-SHIPS OR LIGHTERS.

The responsibility of the Dock Proprietors for the condition and safe keeping of goods imported into the Dock does not commence

until after the landing of such goods from the vessels on to the Dock Quays, unless the whole of the work performed shall be e ecuted by their own servants ; consequently the Proprietors will not be responsible for any loss or injury sustained whilst goods are on board a vessel or craft, or in the breaking out or slinging the same on board ; nor will they be responsible in any case for goods received into a ship water-borne or by transhipment, nor for the shipment or delivery of goods before or after Dock office hours which are from 10 A.M. to 4 P.M.

STOPPAGE OF GOODS FOR FREIGHT.

Goods landed in the Dock, and lodged in the custody of the Dock authorities, may, prior to transfer or to the issue of Dock Warrants, be detained for freight by the Captain of the ship or other authorised person, stating the amount claimed. Written notice to stop such goods until the freight has been paid, or deposit made, must be lodged at the Dock Office.

DOCK PROPRIETORS NOT ANSWERABLE FOR DEFICIENCIES IN MERCHANDIZE.

The Dock Proprietors will not be answerable for Deficiencies of Merchandize produced by natural causes, nor will they hold themselves liable for other deficiencies or make good any losses, unless ascertained previous to the goods being removed from the Dock premises.

WORK ON SUNDAYS AND OVERTIME.

No work will be permitted on Sundays, unless a vessel be in danger. Overtime work must be arranged for with the Superintendent previously, and his orders obtained.

CHARGES TO BE PAID BEFORE THE SHIP LEAVES THE DOCK.

All rates and charges must be paid before goods or vessels leave the Dock. No ship or vessel is permitted to quit until a regular Pass shall have been obtained at the Dock Office to authorise her so doing, and any master, mate, pilot, or other person having the command, care, or charge of any ship, lighter, barge, boat, or vessel, raft or float of timber, taking the same, or either of them, out of Dock, without first procuring such Pass, and delivering of the same to the Dock Master or his Assistants, or at his office, will be prosecuted.

DOCK OFFICERS AND SERVANTS NOT TO RECEIVE FEES.

No fee, perquisite, or reward of any kind or denomination whatever, is to be taken by the Dock Officers, or by any person who shall be employed in the service of the Dock, for any act done within the Dock. Penalty will be forfeiture of the same, and an additional sum not exceeding Rs. 50 for each offence.

Captains, Officers, and crews of ships are requested not to give either wine, spirits, or other liquor to any servant of the Dock, as by so doing they expose him to certain and immediate forfeiture of his situation.

It is the desire of the Proprietors to afford every possible facility to Merchants, Ship-owners, and others having business at the Dock ; and with that view the Proprietors will be at all times open

to communications on the subject, addressed to the Dock Superintendent at Colaba.

No Holidays are to be kept except Sundays, Christmas Day, Good Friday, Fast or Thanksgiving Days appointed by Royal Proclamation, and the Sovereign's birthday.

By Order of the Proprietors,

ROBERT SHACKELL, Superintendent.

Dock House, Colaba.

No. 197 OF 1875.

BOMBAY, 17*th September*, 1875.

Messrs. DAVID SASSOON & Co.

DEAR SIRS,—I am directed to acknowledge the receipt of your letters of the 23rd August and 6th instant, submitting, for the approval and sanction of the Chamber of Commerce, a list of the charges which you propose making at the Sassoon Dock for the landing and shipping of goods from or to vessels lying in the Dock, and a copy of the Dock Regulations.

The Chamber referred the proposed Dock Rates and Regulations to a Special Committee, at whose meetings Mr. Solomon attended, on behalf of the owners of the Dock, and explained, that the landing, shipping, and wharfage rates included delivery which would be taken and given at the door of the Dock godown, or on the Dock premises as required, also the storing of goods in the godown, and the loading and unloading of railway waggons and merchants' carts, subject, however, to a charge for the use of the siding of 4 annas per ton on all goods loaded direct into the waggons of the G. I. P. Railway and of the B. B. & C. I. Railway Companies, for conveyance up-country, and on all goods brought direct into the Dock by the G. I. P. Railway Company. The B. B. & C. I. Railway Company, at present, make a charge for delivery of goods, and that includes the Dock rate.

Mr. Solomon further explained that goods are to be allowed to remain free of rent for one week from the date of landing, and that for any subsequent week, or part of a

week, the rates entered in the column "Rent per week," as stated in the list of rates, are only to be charged.

With these explanations and conditions, the Chamber approves and sanctions the rates submitted, subject to the following alterations and modifications :—

IMPORT RATES.

Articles.	Landing & Wharfage Rate in List submitted.	How charged.	Rate as altered or modified by the Chamber.	How charged.
	Rs. A. P.	℔	Rs. A. P.	℔
Ale or Porter ...	0 1 0	Doz. Qts.	0 1 0	Doz. Qts.
Do. ...	Nil	„ Pts.	0 0 9	„ Pints.
Boilers, under 5 tons ...	8 0 0	Ton	3 0 0	Ton.
„ 5 to 7 „ ...	50 0 0	Each	4 0 0	„
„ 7 to 10 „ ...	75 0 0	„	5 0 0	„
„ Over 10 „ ...	100 0 0	„	6 0 0	„
Block Tin ...	0 2 0	Cwt.	0 1 0	Cwt.
Coir, Rope, Cable, and Cordage ...	0 2 0	„	0 1 0	„
Do. Fibre or unmanufactured ...	0 4 0	„	0 2 0	„
Copper or Yellow Metal:				
„ Slabs or Tiles...	2 4 0	Ton		
„ Sheet ...	0 8 0	Case of 5 cwt	1 8 0	Ton all round.
„ Do. ...	1 0 0	„ 10 „		
„ Japan in cases..	0 1 0	Picul		
Cotton, per Pressed Bale	...	.....	0 4 0	Pressed Bale.
Grain, Wheat, and Rice.	0 1 0	Cwt.	0 0 6	Cwt.
Hoop, Iron ...	1 8 0	Ton	1 0 0	Ton.
Iron, Hoop, Rod, Bar, Half Round, Pig, Sheet ...	1 8 0	„	1 0 0	„
Rails, Chairs (Railway Materials) ...	1 8 0	...	2 0 0	...
Pipes	2 0 0	...	1 8 0	Up to 6 inch diameter
Do.	...	...	...	Above 6 inch diameter, same as Machinery.
Lead	0 1 6	Cwt.	0 1 0	Cwt.
Nails	0 1 6	„	0 1 0	„
Parafine, Kerosine, Petroleum, &c. ...	0 2 0	Case of 5 Gals.	0 2 0	Case of 10 Gals. The Chamber recommends that Petroleum should be struck out, and not permitted to be brought into the Dock.
Rice	0 1 0	Cwt.	0 0 6	Cwt.

Articles.	Landing & Wharfage Rate in List submitted.	How charged.	Rate as altered or modified by the Chamber.	How charged.
	Rs. A. P.	℔	Rs. A. P.	℔
Seeds	0 1 0	Cwt.	0 0 6	Cwt.
Sugar, Crushed ...	0 2 0	Bag	0 0 9	,,
Spelter	2 0 0	Ton	0 1 0	,,
Steel	1 12 0	,,	0 1 0	,,
Timber Logs ...	2 0 0	40 Cub. Ft.	1 0 0	Ton of 50 C. Ft.
Do. Scantling ...	0 1 0	10 running Ft.	1 0 0	,,
Do. Sleepers ...	0 2 0	Each	0 1 6	Each.
Wool, per Pressed Bale.	0 4 0	,,	0 4 0	,,
Do. Boras ..	...	...	0 6 0	,,
Oils	0 2 0	5 Gals. Tin	0 2 0	10 Gallons. The Chamber recommends that the word "Tin" be struck out.

EXPORT RATES.

Articles.	Wharfage and Shipping Rate in List submitted.	How charged.	Rate as altered or modified by the Chamber.	How charged.
	Rs. A. P.	℔	Rs. A. P.	℔
Cloves	0 2 6	Cwt.	0 2 0	Cwt.
Coffee	0 2 0	,,	0 1 0	,,
Coir Yarn, in Dolls ...	0 8 0	100	0 6 0	100
Do. Rope	0 2 0	Cwt.	0 1 0	Cwt.
Galls	0 2 0	,,	0 1 0	,,
Gingelly Seed ...	0 2 0	Bag	0 0 6	Bag.
Gums, Bundles ...	0 2 0	Cwt.	The Chamber recommends that this article be struck out.	
Gums, Cases ...	0 3 0	Each	0 3 0	Each.
Hides (Salted) ...	1 0 0	100	0 1 3	Cwt.
Do. (Dry) ...	2 0 0	100	0 1 6	,,
Linseed	0 1 0	Cwt.	0 0 6	,,
Myrabollams ...	0 2 0	,,	0 1 0	,,
Oil, Castor, Cocoanut, Gingelly, &c. ...	0 2 0	,,	0 5 0	Cask.
Olibanum	0 2 0	Package	The Chamber recommends that this article be struck out.	
Rape Seed... ...	0 1 0	Cwt.	0 0 6	Cwt.
Rice	0 2 0	Bag	0 0 6	,,
Seeds	0 1 0	Cwt.	0 0 6	,,
Wheat	0 1 0	,,	0 0 6	,,
Skins, Cow... ...	0 4 0	Package	0 4 0	Package.
Do. Sheep or Goat ...	0 2 0	,,	0 2 0	,, The Chamber recommends that in the two last articles, viz., Skins, the word "Tanned" be prefixed.

With regard to the "Dock Regulations," the Chamber approves of them, with this proviso that the words "in writing" be inserted in the third last line of the first page, after the word "given," and that the same words, "in writing" be inserted after the word "given," in the second line of the para. in page 2, headed "Trial of Engines of Steam Vessels."—I am, &c.,

J. GORDON, Secretary.

APPENDIX E.

———:o:———

THE ADMIXTURE OF COTTON MANUFACTURES.

No. 3319 of 1874.

GENERAL DEPARTMENT,

BOMBAY CASTLE, 19*th November*, 1874.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—I am directed to enclose copy of a letter from the Revenue Commissioner, N.D., No. 5203, dated the 24th October last, relative to the necessity of an Act for the prevention of fraudulent preparation of cloth by the local mills, and to request that His Excellency the Governor in Council may be favoured with the observations of the Chamber on Mr. Ashburner's suggestion.—I have, &c.,

E. JAMES,
Acting Under-Secy. to Govt.

BOMBAY, 24*th October*, 1874.

To the SECRETARY to GOVERNMENT, Legislative Department.

Subject:—Urging the necessity of an Act for the prevention of fraudulent preparation of cloth.

SIR,—I have the honour to urge upon Government the necessity of an Act for the prevention of fraudulent preparation of cloth by means of China clay and other chemical compositions for adding to the weight of cloth made in the local mills.

2. There are, or will shortly be, I am told, half a million of spindles making cloth in Bombay, and other mills are being erected in Guzerat and Khandeish. This industry has been created in a great measure by the dishonest practices of the Manchester spinners. It promises to be of the very greatest importance to the whole of India and to China, but it will perish in its infancy if not protected from the fraudulent packing and preparation which has done so much injury to the trade of Manchester. The short-stapled cotton of India is suited to the manufacture of 9-10ths of the cloths in use through out the country, and there is

no reason why Western India should not supply the whole of the East with cotton cloth if provision can only be made to ensure that it does not contain 30 per cent. of China clay. I need not enlarge on the importance of fostering a manufacturing industry in a country where so large a proportion of the population depend on the cultivation of the soil for their daily bread.

3. Adulteration of cloth can be prevented now with ease by a Legislative Act, but if the subject is neglected, fraud will become the custom of the trade as in Manchester. Each owner of a mill having once tasted of the forbidden fruit of fraudulent adulteration will consider himself very hardly treated if he is deprived of the privilege of imposing upon ignorant people and selling them China clay at the price of sound cloth, and there will be the usual outcry of Government interference with honest traders.

4. The result of non-interference may be seen in Manchester at this moment—half of its mills are working short time and actually obliged to disguise their cloths with American brands in order to effect a sale in the China and Indian markets. To such an extent has adulteration of cloth been carried in Manchester that the preparation of adulterating size has become a separate trade, and the newspapers, a few months ago, contained an advertisement recommending a particular preparation for sizing cloth because it added 37 per cent. to its weight. I am told that several of the Bombay mills are already beginning to emulate the dishonesty of the Manchester trade, so that no time should be lost in checking the growing mischief.—I have, &c.,

L. R. ASHBURNER,
Revenue Commissioner, N.D.

(True Copy.)
E. JAMES,
Acting Under-Secretary to Government.

To the SECRETARY to GOVERNMENT, General Department, Bombay.

SIR,—I have the honour, by direction of the Committee of the Chamber of Commerce, to acknowledge the receipt of your letter No. 3319, dated 19th November, enclosing copy of a letter from the Revenue Commissioner, N.D., No. 5203, dated 24th October last, relative to the necessity of an Act for the prevention of the fraudulent preparation of cloth by the local mills, and requesting that His Excellency the Governor in Council may be favoured with the observations of the Chamber on Mr. Ashburner's suggestions.

The Committee regret they cannot agree with the Revenue Commissioner that legislation of the kind suggested by him is at all desirable. On the contrary, any such law must receive from them their very strongest opposition. On one point the Chamber do certainly agree with him, viz., that Government should do every thing in its power to foster and encourage the rising cotton manufacture of India, but they believe that this can be best accomplished by leaving the processes of manufacture perfectly free to follow

whatever course the experience of each manufacturer may find to be most profitable. On this subject they thoroughly believe in the truth of the doctrine laid down by economists, "that the operations of trade and industry are best performed when those who have an immediate interest in them are left to take their own course uncontrolled either by the mandate of the law or by the meddling of any public functionary," and "that though Government may be wiser than any individual trader they can never be so wise as the whole body of traders put together." No doubt different ideas prevailed in England and other countries, even in historically recent times, when every branch of industry was surrounded by regulations and restrictions as to their different processes, all placed upon them by a well-intentioned but now confessedly ignorant and mistaken Government with a view to foster and encourage them. These ideas, however, had died out even in the popular mind long before the wisdom of the doctrine of protection to the native industry had been questioned by any but a few philosophers or enthusiasts. It is after enumerating some of the cases in which this policy had been carried out in past times that Mr. Mill makes the remarks :—"But the time is now gone by when such applications as those of the principle of 'paternal Government,' would be attempted even in the least enlightened countries."

The Chamber cannot believe that they will be revived in the present day by the Government of Bombay.

The industry of the manufacture of cotton in India by steam-power and machinery has risen up and reached a considerable state of expansion and prosperity entirely without either assistance or regulations from the Government, and it may be safely left in the same way to take care of itself in the future. The men who conduct it are as a rule able, active, and intelligent and fully alive to their own profits and interests. Is it at all probable then that they will all at once be seized with an insane desire to destroy the one and ruin the other, and only be restrained from doing so by the beneficent action of a Government Inspector ?

The Revenue Commissioner rests his call for interference solely on the ground of "encouragement to the trade," which he maintains without legislation is doomed to "perish in its infancy," and it is to this view of the question solely that the Chamber has confined itself in the foregoing remarks. The Chamber do not for a moment mean to question the right or policy of Government interfering with or regulating an industry when other or higher considerations override the mere extension and encouragement of trade. The health, the lives, the moral or material welfare of the population, or even in a few cases the protection of the ignorant or helpless retail purchaser, may all or any be good reasons for such interference. There has been much legislation of this kind of late years in England, but all these laws have been passed confessedly in restraint and curtailment, not in encouragement and extension of trade. Whether or not the interference of Government with what the Revenue Commissioner calls the "fraudulent adulteration," but which the Chamber believe might be more properly described as the "admixture" of cotton manufacturers, may

be called for on any of these latter grounds, is entirely another question, and is not raised in the memo. of the Revenue Commissioner.

The Chamber of Commerce do not believe that on any of these grounds is it either called for or desirable, but will not here enter into a lengthened discussion of the matter. It will be sufficient to say, however, that any law meant to repress frauds (either real or imagined), or to protect the ignorant or helpless consumer, must, in common fairness, apply to goods imported into as well as manufactured in Bombay. If it is applied to goods imported into Bombay, it must also apply to those imported into Calcutta or any other Indian port, and such a measure, it would, it seems to the Chamber, be almost a waste of time seriously to discuss.

Having given the Government their views on the general question, the Chamber will now refer more in detail to some of the statements and deductions of the Revenue Commissioner, almost all of which they believe to be mistaken or inaccurate. Much confusion seems to exist in his mind as to the two processes of spinning cotton into yarn (or thread), and again weaving that yarn into cloth. It is with the first of these that the half million spindles referred to in his Minute are solely concerned. In this process there is no adulteration or admixture whatever either in Bombay or in Lancashire. It is in this branch of industry, however, that by far the greatest extension has taken place of late years in India, and it has been much more profitable than the weaving into cloth. Many of the new and newly projected mills are only intended for spinning yarn, and have no provision at all for making cloth. It cannot therefore have been the dishonesty of Manchester that has led to the prosperity of the Indian mills, as the preparation of Manchester yarn is perfectly pure and honest. The real cause, the Chamber believe, has been the plentiful supply and low price of the cottons adapted for spinning low counts of yarns, while these yarns themselves have been in increased demand at good prices. This has been equally the case both in India and Europe, for spinners of low counts in England have been quite as prosperous as their opponents in Bombay. Indeed, the Chamber believe that of late years the Bombay mills have been quite as much engaged in supplanting the old native hand spinning and manufacturing in the towns and villages of the interior as in supplanting English manufactures. Improved communication, keen competition, and the reduction of the middle man's profit, have raised the price of cotton in the interior and lowered it in Bombay; consequently, the native hand spinner has lost much of the advantage he previously had of cheaper raw material. The lowest counts to any extent introduced into India of English yarns, even before the rise of Bombay mills, was 20s. For many years past the native mills have had the trade in them almost entirely to themselves, and it has been by the increased demand for these and much lower counts that they have made their profits.

It is also almost entirely with the yarn that the India spinners have made any progress in the foreign and China markets.

In weaving the yarn into cloth a good deal of admixture or adul-

teration does in many instances take place both in Bombay and Lancashire, but the admixture in Bombay is already quite as great as it is in Lancashire. The Revenue Commissioner is too late therefore to "nip the evil in the bud;" the evil, if evil it is, is done already.

It is not what the Revenue Commissioner calls the superior honesty of the Indian mills that in some cases enables them to undersell the Lancashire, but the fact that owing to having cheaper raw material and a protective duty (in the case of cloth of about 6 per cent.), they can afford to put not only a better but more cotton into a low cloth and low yarn. To what extent they can undersell Manchester must be determined by fair and open competition. So also must the question whether or not Indian cotton can make nine-tenths of the goods required in India and the East. This may be true, but the question is not whether the goods can be made at all, but whether they can be made more cheaply than similar goods imported from England. This may seem a small but it is a most important matter, and one often overlooked by Government officers in treating of trade questions. It is a point, however, which the test of success can alone decide.

The picture drawn by the Revenue Commissioner of the position of the Lancashire cotton industry is indeed a sad one, but fortunately for that industry it is entirely a fancy picture. That half of the mills, or indeed any of them, are working short time is wholly incorrect. During the past three years the consumption of cotton in Lancashire has been greater than it ever was before, and it is as great at the present moment as ever it was. Employment has been steady and continuous, and was never more so than at present. In so extended an industry a mill here and there may be working short, but this occurs at all times, and was never less the case than at present. The Chamber can state distinctly that there has been no resort to what is called short time in any branch of the cotton manufacture in England. Nothing proves more indisputably that the mills in Lancashire are generally working up to their full power than the fact that the new Factory Act, which reduces the time of working 4 hours per week, is estimated to reduce the consumption by 150,000 bales of cotton in the year. Would this be the case were the mills in Lancashire not generally working up to their full pressure? No trade or industry can be continually prosperous, and no doubt complaints of bad trade and threats of resorting to short time are constantly rife in Lancashire, but there is no reason to suppose that the cotton trade is now suffering from anything but from that keenness of competition which is now felt in all trades and industries alike.

That Lancashire manufactures can only be sold in India and China after being disguised with American marks is a statement equally wide of the fact. No doubt some particular classes of stout calicoes of superior quality can be produced more cheaply in America than the same qualities in England, owing to the cheapness of good cotton at the place of growth. These to a moderate extent are shipped to India and China. That they are the

best in the market is undoubted, and that makers of inferior goods should stamp their productions "American Drills" is not to be wondered at. It is done by unscrupulous traders all over the world. The morality of this custom is not under discussion, but its existence does not prove that the trade in cheap imitations is either dying out or languishing. The fact is that American goods have not now the hold they had twenty years ago of either the China or Indian markets. They have been to a great extent beaten out of them by the English makes, inferior in quality, but much lower in price.

The statement that the rise of mills in India is due to the adulteration of English cloth, has frequently been made in official and other reports, but the Chamber are glad to see that it has been distinctly repudiated by Her Majesty's present Secretary of State for India, who also added at the same time "that such a statement ought never to have been made."

In conclusion, the Chamber would respectfully submit that the most effective way to aid the Indian mills in their efforts to secure the trade of China and the rest of the East is to remove the export duty of three per cent. which at present presses upon them, that the most effective way as all experience has proved to urge them on to every improvement both in the machinery and the processes of manufacture, is to remove the protective duty, which prevents them from feeling the full beneficial effects of the active competition of the Lancashire mills in their home markets. Were these measures carried out, the increased prosperity of the agricultural population resulting from an extended trade, cheaper clothing, and an improved demand for their produce, would soon, the Chamber feel assured, more than compensate the Government for the trifling sacrifice of revenue.—I have, &c.,

J. GORDON, Secretary.
D. WATSON, Chairman.

Bombay Chamber of Commerce, Dec. 4, 1874.

No. 3542 of 1874.

General Department,

Bombay Castle, 17*th December*, 1874.

To the Secretary to the Chamber of Commerce, Bombay.

Sir,—I am directed to acknowledge, with thanks, the receipt of your letter of the 4th instant, relative to the proposal made by the Revenue Commissioner, N.D., for passing an Act to prevent fraudulent preparation of cloth by the mills at work in Bombay.—I have, &c.,

E. JAMES,
For Chief Secy. to Govt.

No. 3614 OF 1874.

GENERAL DEPARTMENT,

BOMBAY CASTLE, 26*th December*, 1874.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—Referring to my letter of the 17th instant, No. 3542, I am directed to enclose, for the information of the Chamber, copy of a letter from the Revenue Commissioner, N.D., No. 6002, dated the 15th idem, containing Mr. Ashburner's further remarks on the subject of the adulteration of cloth by the local mills.—I have, &c.,

E. JAMES,
For Chief Secy. to Govt.

No. 6002 OF 1874.

REVENUE DEPARTMENT,

BROACH DISTRICTS, CAMP HANSOTE, 15*th December*, 1874.

To the SECRETARY to GOVERNMENT, Bombay.

Subject:—Fraudulent adulteration of cloth in the local mills.

SIR,—With reference to my letter on the subject of the fraudulent adulteration of cloth in the local mills, and the reply of the Chamber of Commerce, dated 4th December 1874, I have the honour to make the following observations.

2. I was fully prepared for the opposition of the Chamber of Commerce. The Chamber is composed of gentlemen whose interest in this country is limited to a few years' residence; their business is to buy and sell, and any interference with their operations however necessary for the welfare of the country is of course highly prejudicial to their interests. A bale of adulterated cloth is as much an article of trade as one that is honestly prepared. There is a large demand for such cloth, their business is to supply the demand, and they naturally object to the interference of Government and quote Mill and the "Economists" to prove that any interference of the Legislature with trade is unnecessary and pernicious.

3. This argument was fully answered during the Parliamentary debates on the adulteration of food, to which I beg to refer the Chamber. They will be surprized to hear that, in spite of the great authority of Mill, it is now penal to adulterate drugs or articles of food. If then the trader who sells water for milk, or chickory for coffee, is liable to fine and imprisonment, why should the trader who sells China clay for cloth be exempt? Merely because Mr. Mill thought, mistakenly, as it appears, that the time for such interference has passed by. How petty are the interests involved in the sale of milk and coffee compared to the subject we are now discussing! We have to provide for an immense population, like a ship in a storm riding at single anchor, they are all dependent on

the soil for their daily bread. The failure of one monsoon produces famine, and requires the expenditure of millions to save a whole province from starvation. How important it would be to establish an industry which would create a race of consumers instead of producers of food, and whose standard of comfort would be higher than is possible with a purely agricultural population. The opportunity of creating a non-agricultural class has now occurred, and all that is asked is legislation to prevent the selfish greed of unscrupulous traders blighting the growing industry in its birth. The vested interests in adulteration immediately take alarm, the Chamber of Commerce threatens "its very strongest "opposition," it shows how this industry has been created "by "active and intelligent men fully alive to their own profits and "interests," and asks if it is "probable that they will all at once be "seized with an insane desire to destroy the one and ruin the "other." I reply that no one doubts their capacity for looking after their own interests and profits, but that it is possible that in the absorbing pursuit of their own interests those of the Empire may be overlooked. Who would have imagined that the "active "and intelligent" manufacturers of Manchester would have been seized with an insane desire to ruin their trade with India and China. It is only six years ago that I suggested at a public meeting in Manchester the possibility of India one day manufacturing its own cotton and competing with Manchester in the Eastern markets, the idea was rejected by the most intelligent men as so extremely improbable as to be hardly worth consideration; but what do we now see? These active and intelligent men have been so intent on their own interests that they have lost sight of the interests of the trade—they have added "admixture" to "admixture" till their cloths, even when labelled with American brands, can no longer find a market and are thrown upon their hands in whole shiploads, while both weaving and spinning mills are springing up in all directions to supply a market which they have lost, or at least are rapidly losing.

4. The Chamber argues that if legislation is resorted to, to suppress "admixture" (they object to the term "adulteration") "it "must in common fairness apply to goods imported as well as goods manufactured in Bombay." I dispute this proposition entirely. My object is not so much the suppression of fraud (though that is a good thing in its way) as to prevent the short-sighted selfishness of a few men strangling a growing industry in its infancy. I wish to foster the local manufactures, and therefore the more imported cloths are adulterated the better will the unadulterated cloths appear in comparison.

5. I did not state as asserted by the Chamber that the fraudulent practice of the Manchester manufacturers was the *sole* cause of the rise of the Bombay mills. I said that this cause had "*in* "*a great measure*" created the industry. It is, therefore, hardly necessary for me to reply to arguments with which the Chamber refutes this phantom proposition which was the Chamber's own creation, not mine. I am quite aware that the adulteration of Manchester cloths and their discredit in the local markets was

only one cause of the growth of the manufacturing interests in Western India.

6. This is not the only instance in which the Chamber misstates my arguments, and advances imaginary propositions in order to enjoy the satisfaction of demolishing them; for instance, the Chamber writes:—

"It is not *what the Revenue Commissioner calls* the superior "honesty of the Indian mills" that enables them to undersell the Lancashire cloths. There is no such statement to be found in my letter. I did not even discuss the subject of the honesty of the local manufacturers. I merely remarked, casually, that several of the Bombay mills were beginning to emulate the dishonesty of Manchester. This is exactly the contrary of the proposition which the Chamber takes the trouble to refute. Again the Chamber writes:—"That Lancashire manufactures can only be "sold in India and China after being disguised by American "marks is equally wide of the fact." This is an exaggeration of my statement. I said that Manchester was obliged to disguise its cloths by American brands to effect a sale in India and China, and the fact is admitted by the Chamber that American brands *are* used on Manchester goods in the India and China markets in order to effect a more ready sale.

7. I was not aware that "admixture" was carried on to the same extent in the local mills as in Lancashire—the Chamber of Commerce is likely to be better informed on this subject than myself, but it appears to be a very bad argument against Legislative interference to show that the evil has proceeded to an extent that has done so much mischief elsewhere.

8. It may perhaps disarm the opposition of the Chamber if I explain that the interference I would propose is of the most unobtrusive nature. I would merely require millowners to stamp on each bale of cloth in legible vernacular characters. This bale contains so many yards so many inches wide.

Weight of cotton.....
China clay.....
Other substances.....

Total weight.....

If, as the Chamber argues, the sale of China clay for cloth is not adulteration but mere "admixture," the Chamber will surely not object to this innocent admixture being declared that the purchaser may know what he is buying. A precedent may be found in the recent legislation in England on the subject of food adulteration. Chickory may be mixed with coffee, but the trader is bound to declare how much is coffee and how much is chickory.

9. I regret that I should have exaggerated the depression of the Manchester trade. I derived my information only from the newspapers. The Chamber has no doubt special sources of information, but it appears from the Chamber's own statement that some mills *are* working short time, and that "complaints of bad "trade and threats of resorting to short time are constantly rife in "Lancashire."

10. I would observe, however, that there is a slight want of logic in the arguments by which the Chamber attempts to prove that the Manchester mills are working full power. It does not *necessarily* follow that the mills *must* be working full power because the amendment of the Factory Act reduces the consumption of cotton by 1,50,000 bales per annum.

11. There is also a contradiction in the Chamber's statement of the mills working short time.—I have, &c.,

L. ASHBURNER,

Revenue Commissioner, N.D.

(True Copy.)

E. JAMES,

Acting Under-Secretary to Government.

BOMBAY, *8th January*, 1875.

To the CHIEF SECRETARY to GOVERNMENT, Genl. Dept., Bombay.

SIR,—I am directed by the Committee of the Chamber of Commerce to acknowledge the receipt of your letter No. 3614, of the 26th ultimo, enclosing, for the information of the Chamber, copy of a letter from the Revenue Commissioner, N.D., containing further remarks on the subject of the adulteration of cloth by the local mills.

Having already put their views fully before Government, the Chamber confess to much reluctance in continuing the discussion on the points again raised by the Revenue Commissioner, many of which are merely a re-statement of his old views, and others have little bearing on the question at issue. In his remarks in para. 2, which imply at least that the Chamber can have no interest in the welfare of the country but a short-sighted selfish one, and that their opinion on such a public question is consequently of little value, the Chamber are convinced that his views can have no sympathy from the Bombay Government. They must express their regret, however, that such opinions should be expressed by any one in a high official position. The accusation is doubly unjust because in this case, according to his own showing, the legislation proposed, would not interfere in any way with the operations of members of the Chamber.

The Chamber are not surprised to hear of the English legislation as to milk, coffee, &c., as they had all this legislation specially in view when they wrote that "the health, the lives, &c., of the population, and in some cases the protection of the retail purchaser might all be good reasons for Government interference." and added that "there had been much legislation of this kind in England of late years;" but they certainly are astonished to be told that the arguments in support of these measures had quite upset the theories of Mr. Mill and other economists. The great and important differences in principle between all these English Acts, and the legislation now proposed, is that the English Acts have

none of them been passed to preserve, encourage, or increase trade; their promoters and defendants all admit this; they are in restraint and curtailment of trade; but it is said, and said in many cases justly, that trade cannot be allowed recklessly to extend itself and imperil the lives or health of the consumers. This was the great principle of the laws against the adulteration of tea, coffee, milk, and drugs. They were passed, not that the trade in these articles might be preserved from languishing and dying out, but that reckless traders might not seek to extend them to the detriment of the consumers. So with all our Marine and Passengers' Acts, as well as the Acts proposed by Mr. Plimsoll for the survey of ships, &c. These are all fair interferences with the liberty of trade, but they were not passed to encourage and extend the English shipping trade; they were passed to preserve the lives of the passengers and crews. The Chamber might give illustrations of this principle almost without end. Another principle of English legislation is that Government never interferes to protect expert and professional traders, seldom even between them; and when it does interfere between them, it is only as a more convenient way of protecting the ultimate consumer. It frequently interferes, however, on account of the ignorant and helpless consumers. The distinction is a very sound and a very obvious one. A Government may properly interfere to regulate the fares for cabs, but not the rate of freight between Bombay and England. It properly takes measures to secure the solvency of bank notes, but not of mercantile bills. Freights and bills are dealt in by experts and professionals who are, on the whole, best left to judge by experience of their own interests; but cab fares and bank notes must be dealt in by thousands, who are often not in a position either to judge of the one or make a proper bargain about the other. Now, the proposed Cloth Adulteration Act differs from all these English Acts in that it is passed, *first*, solely to encourage and extend the trade, and not to protect the consumer; *secondly*, to effect this, it interferes between expert or professed traders, not between the expert and the ignorent or helpless consumer. For the truth of the first we have the Revenue Commissioner's express statement; for the second we have only to refer to para. 8, where the new proposed law is sketched out. The Revenue Commissioner will, we hope, not accuse us of misrepresenting him, when we say that this sketch law differs considerably from that shadowed forth in his first letter. In that he was prepared "to nip the adulteration in the bud;" now it seems it may blossom into full flower, provided only it tickets itself as such. Evidently, since he wrote his first letter, the Revenue Commissioner has been studying the English Adulteration Acts, and discovered that the traffic in milk and water, even as an article of food, is perfectly legal, provided it is described as such. Nor is it the chest of tea that must be marked as mixed; it is the parcel in which the smaller quantities are retailed. To mark a bale will only protect the first or second professional buyers who well know what they buy, and who as a rule are as anxious to "admix" or "adulterate" as the millowner himself. When the bale is opened

and sold, all trace of the candid stamp in "legible vernacular" will completely disappear.

No doubt the Revenue Commissioner is right that the unobtrusive (he might have said inoperative) nature of his new proposal robs it of much that is objectionable in the sight of the Chamber. The position of the Chamber on this question has been much misrepresented or misunderstood. It has been stated in the press that in opposing these Acts, the Chamber has been actuated by a petty jealousy of the local mills for whose supposed benefit it is proposed to legislate. The Revenue Commissioner has not gone so far, but we hope we do not misrepresent him, when we say that he has at least hinted or implied that the Chamber's action has been the result of indifference to their welfare and progress. From such charges the Chamber do not care to defend themselves. What they have written can be judged on its own merits, and Government and the public can judge whether the principles they have advocated are sound ones or not. To interfere to regulate the processes of the local mills, which, the Chamber understand, was the first proposition of the Revenue Commissioner, would, the Chamber think, unduly weight them in their competition with the Lancashire manufacturers. The new proposal of the Revenue Commissioner would be scarcely operative at all, but, so far as it was operative, the Chamber believe it would act as a hinderance rather than an assistance to trade, and either course would be strongly objected to by the millowners themselves, without probably a single exception. Did the Chamber only represent the selfish interests of the importers and makers of English goods, no course could more meet with their approval than the strictest and closest Government interference with their local rivals. The whole remainder of para. No. 3 and para. No. 4 calls for no special reply. It is all founded on what the Chamber think the fundamental error that a trade can be better done by Government direction than by the trader himself. They quite agree with the Revenue Commissioner that it would be desirable to have a richer population in India, but whether agricultural or manufacturing, it seems to them matters little. The Revenue Commissioner puts his theory rather oddly, however, when he proposes to do away with famines by creating a race of consumers, instead of producers, of food.

With regard to the complaints of the Revenue Commissioner as to misrepresentation, the Chamber gave what they considered the fair drift of his statements and arguments, and they cannot see that they have misrepresented any of them in any point of the slightest importance.

In conclusion, the Chamber would beg to submit to Government that the question of the interference with the processes of admixture and adulteration of manufactures (other than articles of food), and especially of textile fabrics, either to suppress fraud or to protect the consumer, is a very wide and a very difficult one. The Chamber refrain from giving any opinion upon it at present, as what they say might be misunderstood unless the question were discussed at length and in all its bearings. No such Act has been attempted in England, and the Chamber believe that

its real difficulties would only appear when such an Act had to be carried out in practice. The new proposal of the Revenue Commissioner, the Chamber have already stated, would be almost wholly inoperative for either good or evil, at least, if it were not enforced in a harsh or vexatious manner. If the millowners think it will enable them better to compete with Manchester, and if they will bear the expenses of carrying it out, the Chamber will probably not allow their love of "correct principles" to stand in the way, provided those more immediately interested in the matter should desire it.—I have, &c.,

J. GORDON, Secretary.
DAVID WATSON, Chairman.

No. 119 OF 1875.

GENERAL DEPARTMENT,

BOMBAY CASTLE, 16*th January*, 1875.

To the SECRETARY, CHAMBER of COMMERCE, Bombay.

SIR,—I am directed to acknowledge, with thanks, the receipt of your letter of the 8th instant relative to Mr. Ashburner's remarks on the adulteration of cloth by the local mills.—I have, &c.,

E. JAMES,
Acting Under-Secy. to Govt.

APPENDIX F.

———:o:———

BILLS OF LADING, OUTWARDS.

To the SECRETARY of the CHAMBER of COMMERCE, Liverpool.

SIR,—I am directed by the Committeee of the Bombay Chamber of Commerce to address you on the subject of a decision recently given by the Court here in which the plaintiff, who sued the Captain of the s.s. "Parsee," under the circumstances stated below, was non-suited on the ground that the Bill of Lading was not signed by the Captain, and at the same time to request your attention to certain objectionable clauses which have of late been permitted to creep into Bills of Lading, Outwards, used by lines and steamers in the Eastern trade.

Hurridas Jairam, a constituent of Messrs. Owen and Okell, sued Thomas Harrison, Captain of the s.s. "Parsee," then lying in the Port of Bombay, to recover for the non-delivery of 29 iron plates, part of a lot of 30 plates which he had ordered from England. He held a Bill of Lading, for these and other goods, signed by "Fredk. Stinnore," whose connection with the ship does not appear, though probably an authorized person in the office of the owners. It appears that the ship brought 29 plates, with marks and weights different from the Bill of Lading, and of sizes different from the Invoice; but whether these points might of themselves have constituted sufficient grounds for the Captain to resist, under the Bill of Lading, any liability for short delivery, is an enquiry upon which the Committee have, on the present occasion, no remark to offer. What they particularly desire to bring to the knowledge of your Chamber is this, that when the Bill of Lading was offered in evidence, the defendant, on behalf of the steamer, raised the objection that the Bill of Lading was not signed by the Captain, and, as the Judge sustained the objection,

the plaintiff was non-suited, though it was argued that as the Captain had delivered all the goods named in the Bill of Lading, except the 29 plates, he had acknowledged the agency of him who signed it. Now, the great majority of Bills of Lading, Outwards, have hitherto been signed, not by the Captain, but by some one in the office of the owners of the steamer; but this decision holds that a Bill of Lading so signed has no legal binding, and is therefore no longer a valuable document. The Committee, therefore, beg that your Chamber will be so good as to give the utmost possible publicity to this decision, warning shippers of goods at the same time of the great danger they are incurring in accepting Bills of Lading so signed, and Bankers and Merchants in advancing upon such documents.

The Committee now desire to draw your attention to several objectionable clauses inserted in some Bills of Lading used by certain lines and steamers trading with this port, since the "Eastern Trade Bill of Lading, Outwards," was agreed to by the joint Committee of Merchants and Steam Shipowners in London, in January 1872, and generally accepted as the standard form. These clauses are in many instances very prejudicial to merchants. Of the Bills of Lading in which such clauses appear, the forms adopted by the "Liverpool, India, and China Line of Steamers" (printed by Turner and Dunnett, Liverpool) are among the worst. In them, the Shipowners claim exemption from liability for loss or damage arising from the following causes, and stipulations, which do not appear in the Eastern Trade Bill of Lading, Outwards, viz.:—

1.—From vermin, rain, spray; collision, stranding, or wreck, however caused; evaporation or smell from other goods; misfeasance, error in judgment, of Pilot, Master, or Crew.

2.—The goods to be discharged from the ship as soon as she is ready to unload, into hulk, lazaretto, or hired lighters if necessary, and to be landed by the Master or Agent at the risk and expense of the owners of the goods.

The Committee of the Chamber consider that this clause is operating with great hardship on consignees of goods in Bombay, where there is no dock accommodation,

and where consequently all goods are landed by means of lighters. The Captain has the power to land the goods without giving any notice to the consignees, and at their risk and expense; and as this is generally done with the greatest haste to accelerate the steamer's despatch, gross acts of carelessness and negligence are committed, goods are damaged or lost, and when the Captain is sued for the value of the goods so damaged or lost, he shelters himself under the Bill of Lading, which absolves him from all liability.

3.—In case of quarantine, the goods may be discharged into quarantine dopôt, hulk, or other vessel, as required for the ship's despatch, or should this be impracticable, or the ship not be admitted, the Master may land the goods at the nearest safe port (in his opinion), at the risk and expense of the owners of the goods.

4.—In case of the blockade or interdict of the port of discharge, or if the entering of or discharging in the port shall be considered by the Master unsafe, by reason of war or disturbances, the Master may land the goods at any other port which he may consider safe (not "at the "nearest safe and convenient port" as in the standard form), at the risk and expense of the owners of the goods.

5.—The ship's responsibility shall cease when the goods are so discharged under quarantine, or landed at another safe port, as expressed in the Bill of Lading.

6.—The ship has the liberty to call at any port or ports, for any purpose whatever, out of the customary route, and to deliver the cargo from the ship's *deck*, instead of from the ship's *tackles*.

The Bills of Lading adopted by "The King Line," of which Messrs. King, Baillie & Co., of Liverpool, and Messrs. Henry S. King & Co., of London, are the owners, and the forms of which Bills of Lading are printed by Wm. S. Harris & Co., Drury Lane, Water Street, Liverpool, also

claim for the ship the following exceptions from liability, and conditions, which are not found in the Eastern Trade Bill of Lading, Outwards, viz.:—

1.—For damage or loss from collision however caused.

2.—At the close of the 5th clause of exceptions in this form, the words "and freight paid accordingly" are added.

3.—To the 6th clause of exceptions in this form, the following words are added—"and the shippers "or owners of such fluids or goods will not only "be liable to the penalties imposed by Statute, "but also for all damages sustained in conse- "quence of such shipment."

4.—In the 7th clause respecting the discharging of goods from the ship, the following important words which appear in the Eastern Trade Bill of Lading, Outwards, are omitted—"if not there- "upon removed without delay by the consignee."

The exceptions, numbered 1, 2, and 3, are perhaps not unreasonable, and the Committee refer to them only to show the deviations in this form from the standard form, the uniformity of which it is so desirable to maintain. But the 4th condition, the omission of the words "if not thereupon "removed without delay by the consignee" takes the landing and the control of the goods between the ship and the shore entirely out of the hands of the consignee, and gives them to the Captain, who, by the decisions of our local Courts, is exempted under these Bills of Lading from all responsibility for damage or loss occasioned by careless or negligent delivery. The Committee are desirous that every reasonable facility should be given to steam shipowners to hasten the despatch of their steamers, but when the Captain insists upon discharging cargo by his own landing agent, when consignees are prepared to take delivery, the Committee consider it unreasonable that he should be empowered to do so, and at the same time be relieved of responsibility for any damage or loss which may occur in the course of delivery. It is now customary for the ship's representatives at this port to publish an advertisement notifying the ship's arrival, and requesting consignees to send off boats to take delivery of their goods, and if the advertisement were issued and acted upon in good faith, there would probably be little ground for complaint;

but the hardship is this, that the consignee in sending off boats, in order to preserve his rights against the ship, is practically mulcted in the charge for the detention of the boats he has to hire, for, contrary to the ship's advertisement, the Captain persistently refuses to give delivery of the goods in any other boats than those of the landing agent employed by the ship.

Other Bills of Lading, Outwards, frequently used by vessels trading to this port, such as the s.s. "Parsee," the s.s. "Palestine," and others (the forms are on blue and white paper, and the former are printed by Rockliff Brothers, Castle Street, Liverpool), also contain the following clauses and conditions which do not appear in the Eastern Trade Bill of Lading, Outwards. These are,—

1.—The ship has liberty to call, for any purpose whatever, at any port or ports, out of the customary route, and to deliver the goods from the ship's *deck* instead of from the ship's *tackles*.

2.—Among the exceptions to the ship's liability are,—vermin, rain, spray; loss or damage from collision, stranding, or wreck, however caused; from evaporation or smell from other goods; misfeasance, error in judgment, of Pilot, Master, or Crew.

3.—The consignees must be ready to take delivery of goods as soon as the ship is ready to discharge them.

The Committee desire to point out that in this last clause there is no provision for public intimation to be given that the ship is ready to unload.

The Eastern Trade Bill of Lading, Outwards, which was agreed to by the joint Committee of Merchants and of Steam Shipowners in London, in January 1872, has since been regarded as the standard form to be used by vessels trading to this port. It was, that Committee reported, very generally accepted not only in London, but in Liverpool and Glasgow also, and proved a useful and successful document. Some of the clauses in it might indeed have been improved, but its general adoption possessed the great advantages of a uniform system fairly equitable alike to Shipowner and Merchant. It was an immense improvement on the old forms

used, most of which contained the very clauses that are now objected to. These clauses are a source of great dissatisfaction, which is aggravated by the fact that all legal points are constantly taken advantage of by the Captains of Canal Steamers in this port to repudiate their liability for damage to or loss of cargo. I am directed, therefore, by the Committee to request the co-operation of your Chamber in doing all that you possibly can to have the objectionable clauses above pointed out removed, and the form of the Eastern Trade Bill of Lading, Outwards, strictly adhered to.

The Committee append, for your information, authenticated copies of reports, &c., of a few of the cases recently decided in the Courts here; and I am desired further to state that similar letters have also been forwarded to the Chambers of Manchester and Glasgow, to Lloyd's Salvage Association, to the members of the Committee of Merchants appointed at the Meeting of Merchants held at the London Tavern on 11th July 1871, and to Merchants and Bankers generally interested in the Trade with the East.—I have, &c.,

J. GORDON, Secretary.
DAVID WATSON, Chairman.

Chamber of Commerce, Bombay, 14th December, 1874.

REPORTS OF CASES DECIDED.

In the Court of Small Causes, Bombay.

Messrs. BELL, BRANDENBURG and Co. *vs.* Captain DRAKEFORD of the S.S. "ALPS."

CAUSE OF ACTION.—Damages caused by negligence of the Captain to a consignment of hoop-iron to the extent of Rs. 138-12.

Mr. Winter for plaintiffs; Mr. Crawford for defendant.

Mr. Winter opened the case by stating to the Court that his clients, Bell, Brandenburg and Co., were the consignees of a shipment of 600 bundles of hoop-iron. That on the hoop-iron being landed on the Elphinstone Bunder, and on his clients taking delivery of the same, it was found, after 270 bundles of the iron had been taken delivery of, that the balance of the bundles were damaged by rain-water. On the arrival of the steamer in the Bombay harbour, an advertisement had been inserted in the papers, to the effect that Messrs. Graham and Co., the Agents of the steamer "Alps," would give delivery of goods to consignees from the bunder. In consequence of this advertisement, no boats were sent alongside the steamer by his clients. The steamer had arrived

in port on the 15th of July, and on the 29th of the same month his clients were informed that their hoop-iron was lying on the Elphinstone Bunder. They immediately commenced taking delivery of the goods. Previous to the 29th there had been very inclement weather. Whilst delivery was being taken, his clients found that their goods had been damaged. It was evident that this damage had accrued from the negligence of the Captain in having omitted to take due care that the bundles were properly protected from the rain, or stored or warehoused in such a place where it would have been a matter of difficulty for the rain to have got to. Messrs. Bell, Brandenburg and Co., on finding that their goods were damaged, immediately wrote to Messrs. Graham and Co., the Agents of the s.s. "Alps," informing them of the occurrence, and refusing to take delivery, as also requesting a survey of the goods to be called.

In answer to this communication, his clients received a letter referring them to Captain Clarke with reference to the survey. The survey was held, the goods found damaged by fresh water, and an allowance of six annas per bundle on 330 bundles of the hoop-iron made by the Surveyors, which allowance was the amount claimed in the present suit.

Mr. Crawford addressed the Court in defence, stating that the Bill of Lading was the true contract between the consignor and his client, Captain Drakeford, that by that contract his client was not liable for any damages, inasmuch as there was a special clause in the Bill of Lading which exempted his client from any damages accruing from rain, rust, loss by negligence of Captain, Pilot, or Crew, in addition to the other ordinary exemptions, that the case for the plaintiffs being based on the words "damages by rust accruing from negligence" they should be without hesitation nonsuited, and even had there been no such exemption in the Bill of Lading, going on the merits of the case, he would prove to the Court that there had been no negligence on the part of the Captain.

Mr. Brandenburg, of the firm of Bell, Brandenburg and Co., on being affirmed, deposed to the following effect:—That 600 bundles of hoop-iron were consigned to them per s.s. "Alps;" that on the arrival of the steamer in port, the Agents of the steamer, Messrs. Graham and Co., advertised that goods would be delivered to the consignees at the Elphinstone Bunder; that on their going over to the bunder, after taking delivery of 270 bundles, they found 330 bundles, the balance, damaged. They wrote immediately to Graham and Co., informing them that they would hold them responsible for the damages, and requesting the call of a survey on the goods. The survey was called, and on a fair computation, an allowance of six annas per bundle on the damaged ones was made.

Two other witnesses on being affirmed, stated facts as nearly as possible to the same effect as the first witness. Captain Drakeford, on being called to the box, informed the Court, that as long as the consignment of iron had been on his vessel, he had taken every care possible that they were all discharged in good condition from the deck of his vessel, and since they had left the

deck of his vessel in good condition, by the clause in the Bill of Lading, where it states that all responsibility on his part would cease on the goods leaving the deck of his vessel, he was not answerable for any damages that might have accrued.

Mr. Crawford—Your Honor the case is quite clear, and does not need much argument. The terms of the Bill of Lading are quite distinct. My client is e empted from all damages under that Bill of Lading, which is in e pression the contract between the consignor and my client. No negligence has been shown by the witnesses for the plaint, and in order to prove to the Court that my client is entirely exempt from all consequences for damages, I will quote a case from Vol. II. Admiralty and Ecclesiastical Side, page 393, where judgment was delivered by Justice Sir Robert Fillimore, in the case where the Captain of the ship "Duero" was summoned for damages accruing by his negligence to some bags of hazel-nuts. In that case the Bill of Lading was similar to the one in the present suit. The Captain of the "Duero" acknowledged negligence in the stowage of the consignment, yet shielded himself under the clause in the Bill of Lading exempting him from responsibility for negligence in favour of the defendant on consideration that the Bill of Lading was the true contract.

Moreover, Mr. Crawford proceeded, as had been stated by the Captain, all responsibility of his client ceased when the goods in question left his vessel's deck.

Mr. Winter—I admit the words rust and negligence in the Bill of Lading, but I certainly do not admit the construction put on them by the counsel for the defence. The ship's Captain is held in the light of a common carrier, and by the common law a carrier cannot limit his liability. It has been adduced in the evidence that the bundles of hoop-iron were in good order when they left the steamer's side, so that the damage must have accrued either in transit or while the goods were lying on the bunder. If the responsibility ceased on the Captain's part on the goods leaving the side of the ship, it was shifted on to the shoulders of the Agents who landed the goods, therefore I submit as the landers of the goods are only Agents, Captain Darkeford is responsible for the damages.

The Judge, in summing up the case, remarked that it was evident the Bill of Lading was the contract, and as the terms of the contract exempted the Captain from damages accruing by rain and rust, and as there had been no evidence to prove negligence on the part of the defendant, he (the Judge) would be obliged to non-suit the case.

Case non-suited, and Rs. 32 certified as costs for defendant's attorney.

In the Court of Small Causes, Bombay.

The SASSOON PRESS CO. *vs.* CAPTAIN BROWN, Master of s.s. "ARIEL."

JUDGMENT OF THE FULL COURT ON APPEAL.

The plaintiffs in this case have sued the defendant for damages (Rs. 670) sustained by them by non-delivery of certain articles of

machinery, and by breakage of a cast-iron bed-plate for an engine fly-wheel, alleged to have been caused by the negligence of the defendant. At the trial the claim for non-delivery was disallowed, and verdict given for the plaintiffs for the value of the bed-plate only. The defendant obtained a rule to set aside this verdict, and enter a verdict for defendant on the grounds stated in the rule.

The facts of the case are these:—The plaintiffs are the consignees of a quantity of machinery, which had been shipped on board the "Ariel" at Liverpool. The Bill of Lading, under which the goods were shipped, contained among others the following clauses:—"To be delivered in the like good order and condition "from the ship's deck (where the ship's responsibility shall cease) "* * * Consignees or their assignees must be ready to take "delivery of goods as soon as the ship is ready to discharge them, "otherwise the shipowners shall be at liberty to land and ware-"house them at the merchant's risk and expense."

On the arrival of the "Ariel," Messrs. Graham and Co., the Agents of the ship, acting on behalf of the Master, employed Cooper's Landing Agency to land the entire cargo of the ship. As the plaintiffs, however, had, under the Bill of Lading, the right to send their own boats to land their cargo, Cooper's Landing Agency, to prevent, it was said, the Port Trust from being employed, obtained, in addition to the order from Graham and Co., an authority, in writing, from the plaintiffs to land their portion of the cargo; but it was stated by the Manager of that Agency that they did not act upon that authority which was taken simply with the object we have stated, and that in landing the cargo the Agency acted under the general direction given to them by Graham and Co. Under these circumstances, and the defendant not being aware of the authority given by the plaintiffs to Cooper's Landing Agency, it must be taken that the defendant landed the plaintiffs' cargo under the clause in the Bill of Lading, which empowered him to do so in default of consigness sending boats and at their risk. The bed-plate was lowered and placed in one of the Landing Agencies' barges "in good order and condition," it was not when lowered placed flat in the bottom of the barge but at an angle, one end resting against the side of the barge, and the other on the bottom, so that the under-surface of the plate was unsupported. Subsequently two cases containing machinery were lowered, and placed by the barge-men on the bed-plate. It was stated by one of the plaintiffs' witnesses that the plate was capable of bearing a much greater weight than these two cases. On the following day while a third case was being lowered, when it was within two or three feet of those already in the barge, the tackle slipped rapidly through the steam winch, and the case consequently came down (to use the expression of one of the witnesses) "by the run." No evidence was given as to the cause of the tackle slipping. No damage was sustained, either by this case or the cases on to which it fell, but the shock fractured the cast-iron bed-plate which was below, and it is for the injury so done that the plaintiffs seek for compensation. We are of opinion that they are not entitled to recover under either view, whether 1st, Cooper's Landing

Agency be regarded as Agents of the plaintiffs sent by them to take delivery of their goods; or 2ndly, employed by the Master on failure of plaintiffs to send boats, the defendant, it appears to us, is absolved from liability. In the first place, the bed-plate having been delivered in good order, he is absolved under the clause by which his liability ceased after the goods had left the ship's deck; and in the second case, he is absolved under the same clause and the additional condition which empowered him to land the goods at the risk of the plaintiffs. The plaintiffs cannot recover unless they show clearly that the defendant has been guilty of culpable negligence. We are of opinion that there is no negligence, and certainly not of such a degree of negligence as to make the defendant liable when he was landing the cargo at the plaintiffs' risk in consequence of their neglect to send boats. In discharging cargo it is no part of the duty of the Master of a vessel to attend to the stowing of the cargo in the boats sent to receive it. The bed-plate was concealed from view by the cases which were placed above it. It is not shown that those on board were aware that the case which fell was being lowered on the plate, or that the plate itself was not lying flat. The only evidence to establish negligence, given by the plaintiffs, was that the case, instead of being lowered gently on to the cargo already in the barge, when within a few feet of its destination, was, from some unexplained cause, lowered so rapidly that it came down with a shock, an accident which one of the plaintiffs' own witnesses says is of frequent occurrence. The shock did no injury to the cases which immediately sustained it—it would not have injured most descriptions of packages, and, according to the testimony of the plaintiffs' witness, their Engineer, would in all probability have done no damage to this brittle iron-casting itself if it had been lying flat in the barge, or had chocks been placed under it to act as buffers and break the force of the blow. It appears to us that this mere fact of the case being lowered in the manner we have described,—a thing of common occurrence, and which, but for the brittle nature of the plate and the position in which it was placed in the barge, would not have resulted in any injury,—is not of itself evidence of negligence so as to make the defendant liable for the consequential damage. For these reasons we are of opinion that the rule should be made absolute, the verdict for the plaintiffs set aside, and verdict entered for the defendant.

COPY of a Notice addressed to the Agents of the s.s. "Emblehope" by the Solicitors of the Sassoon Press Company, who were Consignees of valuable cargo by that steamer, which embodies the practices adopted and now held legal in Bombay.

BOMBAY, 25*th November*, 1874.

Messrs. W. & A. GRAHAM & Co., Bombay, Agents of the s.s. "Emblehope."

SIRS,—We are instructed by "The Sassoon Press Company,

Limited," to address you under the following circumstances, and to make the protest and give you the notice that are written at the close of this letter.

The Company are consignees of cargo (consisting of machinery pipes and a water-heater) by the s.s. "Emblehope," just arrived in Bombay from Liverpool; and you have inserted in the *Bombay Gazette* newspaper an advertisement requesting consignees of cargo per s.s. "Emblehope" to send their Bills of Lading and Delivery Orders for your inspection and counter-signature, and to take delivery of their respective goods.

The clauses in the Bills of Lading of the "Emblehope's" cargo respecting the delivery and landing of goods are two—the first of which relates specially to delivery, and is, that the cargo is to *be delivered* in like good order and condition from the *ship's deck* (where the ship's responsibility shall cease) * * * "unto *order or to his or "their assignees.*" This of course means consignee's order.

The second clause relates to the discharge and landing of cargo, and is as follows:—"The goods to be *discharged* from the ship as "soon as she is ready to unload into hulk, lazaretto, or hired "lighters, if necessary, by the *Master or Agent at the risk and expense "of the owners* of the goods." The underlining in the above sentences is ours.

These two clauses certainly do not remove the sarcasm against shipowners that they prefer the clause of escaping liability in respect of the goods they carry by adopting an undefined, doubtful, and unskillfully (except for the purpose of its adoption) put together contract, rather than run the risk of being unable to dispute their liability by using a form of contract so expressed that all its parts are consistent one with another.

Under the present Bill of Lading if a consignee asks for delivery of his goods to be made to himself, *i.e.*, into his own boats under the first of the above clauses, he is told that he cannot have them, as the Agent is landing them under the second clause. If the consignee allows the Agent or Master to land the goods under the second clause, and damage occurs, he is told the ship is absolved from responsibility under both clauses—under the second by its verbiage, and under the first because he didn't himself take delivery of his own cargo.

Then there is a further difficulty of reconciling the two clauses, because one speaks of delivery only, and not of discharging or landing; and the other speaks of discharging and landing only, and not of delivery. The ship seems bound to do two inconsistent things—to deliver its cargo from its deck to the consignee, and to land it independently of him by means of its own Agents without making any provision for delivery. In this confusion ships dispute their liability for damage done to consignee's cargo, and have lately at least roused the attention of the mercantile community to the injustice that is done to consignees by the adoption of such Bills of Lading as the one referred to.

Indeed, it seems as if this Bill of Lading had been altered from an older form we have very lately seen made out by the same brokers for the express purpose of further limiting the ship's liability.

The older Bill of Lading provided for delivery of cargo in the same manner as the one under reference, with an alternative that, if consigness *were not ready* to take delivery of the cargo, the shipowner should be at liberty to land and warehouse it; but the new form omits the alternative, and apparently gives the shipowner both powers, *i.e.*, of delivering from deck and of himself landing goods, both of which it is not possible for him to do; and the effect of it is that, without reference to the consignee's wishes, the shipowner does whichever is most convenient to him, and says, either way he is not liable; and the question who is liable for damage to cargo between ship and shore that is being landed by the ship under such a Bill of Lading has yet to be answered, viz., —Is the consignee to be liable for actions over which he has no control, and which result in damage to his goods even in cases when he is desirous of taking delivery from the ship, and it has been refused to him?

For this seems to be the result expected from the present practice of landing goods from steam-ships.

We refer in support of this to the case of the s.s. "Pernambuco," which brought cargo for our clients, and of which you were the Agents. Our clients sent their own boats alongside to take delivery, of which fact both the Captain and you were made aware, and Mr. Gordon, the Manager of the Company, protested against the goods being delivered by any one but their own Muccadum. But you, nevertheless, refused to deliver to our clients' own boats, and delivered to the Landing Agents appointed by yourselves, although our clients' own boats were alongside all the time. The result of this is that our clients have to pay the landing charges of the Agents appointed by you, and have had also to pay demurrage to their own Muccadum for keeping his boats alongside, which boats after lying alongside four days returned as empty as they went; and all this took place under a Bill of Lading, which says delivery is to be given to consignee from ship's deck, when ship's responsibility shall cease. The Bill of Lading and the advertisement to take delivery constitute in fact a great joke against the consignee, who is invited to do what he is not allowed to do, and then has to pay for not doing it.

It is true, that in the case of the "Pernambuco" you wrote to the consignees, saying you would have been happy to oblige them by landing the goods in their boats, but alleging that it would not in your opinion, or that of the Captain, have been safe to land them in our clients' boat, and that, therefore, you exercised the right to land them under the secondly referred to clause of the Bill of Lading. Your reply shows most distinctly the absurdity of the consignee's position as to his own goods: the very expression that you would be happy to oblige them shows you considered you would have been granting only a concession, not a right. Again, delivery into the consignee's own boats would have absolved the ship from any further liability, and, therefore, there was no reason why you should have exercised any opinion as to whether the boats provided by the consignees were safe or not (we are, however, assured that they were amply large and perfectly

safe), but yet, against the wish of the consignee, you delivered to your own appointed Landing Agents; and if any damage had occurred to the goods, the ship would doubtless have claimed irresponsibility as in the case of the "Ariel," wherein our clients' goods were damaged, while in the possession of Landing Agents appointed by you, and by an act of the ship, and the ship repudiated and successfully maintained its irresponsibility. In that case, you were the ship's Agents, and appointed the Landing Agents, who also, we understand, deny any responsibility, but whether they too will be able to maintain it, is a question of interest to consignees which is to be tried shortly.

The cargo that has arrived by the "Emblehope" is of very great importance to our clients. If any damage is done to the water-heater, it cannot be replaced here, and their operations would be crippled for six months, probably when the cotton season will be nearly ended, and that might cause them a loss of from Rs. 50,000 to Rs. 70,000.

Under the circumstances above stated, and in order to save our clients paying useless demurrage, we think we should be justified, expecting you to act in the same way as in the case of the "Pernambuco," in advising them not to send their own boats alongside the "Emblehope" for their cargo, depending in case of damage on such responsibility as the law under the circumstances attaches to the ship, its Agents, and Landing Agents. Rather than this, however, we beg to ask you if you will order delivery of our clients' goods into their own boat, if their boat is sent alongside the "Emblehope," and is ready to take such delivery.

If you refuse to do so, we beg to protest against the goods being delivered to any other person or in any other way than into our clients' own boats, and to intimate to you that our clients will hold you, the ship, the shipowner, the Captain, and Landing Agents, liable for any damage that may occur to our clients' goods until they are safely delivered to them, so far as the law makes them liable. If you consent to deliver to our clients, they will send boats alongside.

We would also point out to you the farce that such a clause in the Bill of Lading as the first referred to and your advertisement becomes, if you refuse to deliver as requested.—We are, Sirs, your most obedient servants,

MACFARLANE AND SKIPSEY.

The request to deliver into the Consignees' own boats was complied with as a matter of favour only. The following are copies of the replies of the Agents s.s. "Emblehome":—

BOMBAY, 26*th November*, 1874.

Messrs. MACFARLANE and SKIPSEY.

DEAR SIRS,—We have to acknowledge receipt of your letter referring to the landing of cargo belonging to the Sassoon Press

Company, Limited, ex "Emblehope." We by no means admit the liability which you seek to attach to us, but as this case seems to be of special importance to Messrs. Sassoon & Co., we are willing to treat it as an exceptional case in deference to their wishes. We shall accordingly lay your request before Captain Stephenson of the "Emblehope," with whom lies the power of deciding how cargo is to be landed, and we shall let you know if he has no objections to landing the cargo as you wish, in order that in that event you may request your clients to send their boats alongside. —Yours, &c.,

W. & A. GRAHAM & Co.

BOMBAY, 27*th November*, 1874.

Messrs. MACFARLANE and SKIPSEY.

DEAR SIRS,—Captain Stephenson, of the "Emblehope," is willing to discharge the packages mentioned yesterday for the Sassoon Press Co. into their own boats if the boats are ready alongside when the cargo comes to hand, and if some one is sent by Messrs. Sassoon to keep the packages separate as they come. But Captain Stephenson cannot in any way delay the discharge of the steamer if the boats are not ready, and the packages are not separated from the rest of the cargo.—Yours, &c.,

W. & A. GRAHAM & Co.
Agents s.s. "Emblehope."

In the Court of Small Causes, Bombay.

HURRIDAS JAIRAM *vs.* THOMAS HARRISON, Captain s.s. "PARSEE."

On Thursday, the 29th Oct., Mr. Turner, of the firm of Messrs. Chalk and Turner, applied on behalf of one Hurridas Jairam to Mr. Gunputrao Bhaskerjee, the 3rd Judge of the Small Causes Court, which is closed for the vacation, for a warrant of arrest against Captain Harrison, of the s.s. "Parsee," for Rs. 809, the value of 29 iron plates, which, it was alleged, had been shipped in Liverpool on board the "Parsee," and not delivered to Hurridas, who held a bill of lading for the same.

The Judge refused the application, but granted a summons, returnable on the following day, when Mr. Jefferson, of the firm of Messrs. Jefferson and Payne, appeared for Captain Harrison.

On Mr. Turner offering in evidence the invoice of the goods and bill of lading,

Mr. Jefferson, on behalf of the defendant, objected to their being received, on the grounds that the invoice was a document which in no way affected the defendant, and that the bill of lading was not signed by the Captain. Mr. Jefferson objected to the bill of lading being received in evidence, simply for the purpose of shortening the proceedings, remarking that the real defence was that the plates described in the bill of lading had never been put on board.

He contended that the bill of lading, even if put in, was no evidence of the weight of the plates, the words "weight and "contents unknown," which appeared in the bill of lading, making it imperative upon the plaintiff to give evidence, *de hors* the bill of lading, of the actual weight of the iron put on board; and that this could only be done by evidence obtained under a commission. In support of his contention, Mr. Jefferson cited the case of Nicol and Co. vs. Castle, 9th B. H. C. Reports.

Mr. Turner, on the other hand, contended that the bill of lading having been recognized by the defendant by his having actually delivered under it one plate, he was entitled to put it in as edvidence, and further that to bind the master of a ship on a bill of lading, it was not necessary for it to be signed by the captain, as the purser or ship's agent might do so. It was the practice in some offices in Liverpool for bills of lading to be signed by the clerk in charge of the shipping department, and such bills of lading had been accomplished and claims paid thereon, if any had arisen. Besides, the captain, through his agents, Messrs. Graham & Co., had given delivery of all the goods named in the bill of lading, except the 29 missing plates; and had thereby acknowledged that whoever signed the bills of lading acted with his authority.

The plaintiff was then examined, and Mr. Mowat, of Messrs. Ritchie, Steuart & Co., was called to prove that bills of lading were occasionally signed on behalf of captains.

The Court held that the bill of lading could not be put in as evidence, and also that, even if it was admitted, the second objection as to the want of proof of the weight of iron put on board was fatal to the plaintiff's case, he having failed to give any evidence as to such weight. The plaintiff was accordingly non-suited, and full costs certified for defendant.

EASTERN TRADE BILL OF LADING OUTWARDS, No. 1.—Via "SUEZ CANAL."

SHIPPED in good order and condition, by on board the steam ship whereof is master for this present voyage lying in the Port of and bound for *via the Suez Canal*, with liberty to discharge and receive goods and passengers at and to take in coal or other necessary supplies at any intermediate port or ports, to sail with or without pilots, and to tow and assist vessels in all situations of distress, being marked and numbered as per margin; and to be delivered, subject to the exceptions and conditions hereinafter mentioned, in the like good order and condition from the ship's tackles (where the ship's responsibility shall cease,) at the aforesaid Port of or so near thereto as she may safely get, unto or to his or their assigns. Freight for the said goods and primage (if any) to be paid by the shippers in on delivery of the bills of lading, in cash without deduction, ship lost or not lost Average as accustomed.

The following are the exceptions and conditions above referred to :—

Weight, measure, quality, contents, and value unknown.

The act of God; the Queen's enemies; pirates; robbers by land or sea; restraint of princes, rulers or people; loss or damage from machinery, boilers or steam, or from explosion, heat, or fire on board, in hulk or craft, or on shore; jettison; barratry; any act, neglect, or default whatsoever, of Pilots, Master, or Crew in the management or navigation of the ship; and all and every the dangers and accidents of the seas, rivers, and canal, and of navigation of whatever nature or kind are excepted.

The ship is not liable for insufficient packing, or reasonable wear and tear of packages; for inaccuracies, obliteration or absence of marks, numbers, address or description of goods shipped; leakage; breakage; loss or damage by dust from coaling on the voyage; sweat; rust; decay. Fines and expenses, and losses by detention of ship or cargo, caused by incorrect marking, or by incomplete or incorrect description of contents or weight, or of any other particulars required by the authorities at the port of discharge, upon either the packages or bills of lading, shall be borne by the owners of the goods.

The Steamer, while detained at any port for the purpose of coaling, is at liberty to discharge and receive goods and passengers.

The Owners of this Steamer will not be accountable for Gold, Silver, Bullion, Specie, Jewellery, Precious Stones, or Precious Metals, or beyond the amount of One Hundred Pounds for any one package, unless the Bills of Lading are signed for such goods, and the value declared therein.

If medicinal fluids, or any other goods of an inflammable, damaging, or dangerous nature are shipped without being previously declared and arranged for, they are liable, upon discovery, to be thrown overboard, and the loss will fall upon the Shippers or Owners of such fluids or goods.

The goods are to be discharged from the ship as soon as public intimation is given that she is ready to unload, and if not thereupon removed without delay by the consignee, the master or agent is to be at liberty to land the same, or, if necessary, to discharge into hulk, lazaretto, or hired lighters, at the risk and expense of the owners of the goods.

In case of quarantine, the goods may be discharged into quarantine depot, hulk, or other vessel, as required for the ship's despatch. Quarantine expenses upon the goods, of whatever nature or kind, shall be borne by the owners of the goods.

In case of the blockade or interdict of the port of discharge, or if the entering of or discharging in the port shall be considered by the master unsafe by reason of war or disturbances, the master may land the goods at the nearest safe and convenient port, at the expense and risk of the owners of the goods; and the ship's responsibility shall cease when the goods are so discharged into proper and safe keeping, the master giving immediate notice of the same to the consignees of the goods, so far as they can be ascertained.

The master or agent shall have a lien on the goods for payments made or liabilities incurred in respect of any charges stipulated herein to be borne by the owners of the goods.

In case any part of the within Goods cannot be found during the Ship's stay at the port of destination, they are when found to be sent back by first Steamer, at the Ship's risk and expense, and subject to any proved claim for loss of market.

The ship shall not be liable for incorrect delivery unless each package shall have been distinctly marked by the shippers before shipment with the name of the port of destination.

IN WITNESS whereof the master or agent of the said ship has signed bills of lading exclusive of the Master's copy, all of this tenor and date, one of which being accomplished, the others to stand void.

Dated at

EASTERN TRADE BILL OF LADING OUTWARDS, No. 2.—Via "SUEZ CANAL."

Form No. 2 for a voyage to India, trading at Colombo, Madras or other open roadsteads on the Malabar or Coromandel Coasts.
[*The special condition relating to this voyage is marked*.]

SHIPPED in good order and condition, by on board the steam ship whereof is master for this present voyage lying in the Port of and bound for *via the Suez Canal*, with liberty to discharge and receive goods and passengers at and to take in coal or other necessary supplies at any intermediate port or ports, to sail with or without pilots, and to tow and assist vessels in all situations of distress, being marked and numbered as per margin; and to be delivered, subject to the exceptions and conditions hereinafter mentioned, in the like good order and condition from the ship's tackles (where the ship's responsibility shall cease,) at the aforesaid Port of or so near thereto as she may safely get, unto or to his or their assigns. Freight for the said goods and primage (if any) to be paid by the shippers in on delivery of the bills of lading, in cash without deduction, ship lost or not lost. Average as accustomed.

The following are the exceptions and conditions above referred to:—

Weight, measure, quality, contents, and value unknown.

The act of God; the Queen's *enemies*; pirates; robbers by land or sea; restraint of princes, rulers or people; loss or damage from machinery, boilers or steam, or from explosion, heat, or fire on board, in hulk or craft, or on shore; jettison; barratry; any act, neglect, or default whatsoever, of Pilots, Master, or Crew in the management or navigation of the ship; and all and every the dangers and accidents of the seas, rivers, and canal, and of navigation of whatever nature or kind are excepted.

The ship is not liable for insufficient packing, or reasonable wear and tear of packages; for inaccuracies, obliteration or absence of marks, numbers, address or description of goods shipped; leakage; breakage; loss or damage by dust from coaling on the voyage; sweat; rust; decay. Fines and expenses, and losses by detention of ship or cargo, caused by incorrect marking, or by incomplete or incorrect description of contents or weight, or of any other particulars required by the authorities at the port of discharge, upon either the packages or bills of lading, shall be borne by the owners of the goods.

The Steamer, while detained at any port for the purpose of coaling, is at liberty to discharge and receive goods and passengers.

The Owners of this Steamer will not be accountable for Gold, Silver, Bullion, Specie, Jewellery, Precious Stones, or Precious Metals, or beyond the amount of One Hundred Pounds for any one package, unless the Bills of Lading are signed for such goods, and the value declared therein.

If medicinal fluids, or any other goods of an inflammable, damaging, or dangerous nature are shipped without being previously declared and arranged for, they are liable, upon discovery, to be thrown overboard, and the loss will fall upon the Shippers or Owners of such fluids or goods.

The goods are to be discharged from the ship as soon as public intimation is given that she is ready to unload, and if not thereupon removed without delay by the consignee, the master or agent is to be at liberty to land the same, or, if necessary, to discharge into hulk, lazaretto, or hired lighters, at the risk and expense of the owners of the goods.

In case of quarantine, the goods may be discharged into quarantine depot, hulk, or other vessel, as required for the ship's despatch. Quarantine expenses upon the goods, of whatever nature or kind, shall be borne by the owners of the goods.

In case of the blockade or interdict of the port of discharge, or if the entering of or discharging in the port shall be considered by the master unsafe by reason of war or disturbances, the master may land the goods at the nearest safe and convenient port, at the expense and risk of the owners of the goods; and the ship's responsibility shall cease when the goods are so discharged into proper and safe keeping, the master giving immediate notice of the same to the consignees of the goods, so far as they can be ascertained.

The master or agent shall have a lien on the goods for payments made or liabilities incurred in respect of any charges stipulated herein to be borne by the owners of the goods.

In case any part of the within Goods cannot be found during the Ship's stay at the port of destination, they are when found to be sent back by first Steamer, at the Ship's risk and expense, and subject to any proved claim for loss of market.

*If prevented from discharging by weather, the goods may be taken on to the next convenient port for trans-shipment to their destination at the expense of the vessel, but at the risk of the merchant.

The ship shall not be liable for incorrect delivery unless each package shall have been distinctly marked by the shippers before shipment with the name of the port of destination.

IN WITNESS whereof the master or agent of the said ship has signed bills of lading exclusive of the Master's copy, all of this tenor and date, one of which being accomplished, the others to stand void.

Dated at

EASTERN TRADE BILL OF LADING OUTWARDS, No. 3.—Via "SUEZ CANAL."

SHIPPED in good order and condition, by on board the steam ship whereof is master for this present voyage lying in the Port of and bound for *via the Suez Canal*, with liberty to discharge and receive goods and passengers at and to take in coal or other necessary supplies at any intermediate port or ports, to sail with or without pilots, and to tow and assist vessels in all situations of distress, *the goods to be trans-shipped at the expense of the vessel, but at the risk of the merchant, into a steamer bound to being marked and numbered as per margin; and to be delivered, subject to the exceptions and conditions hereinafter mentioned, in the like good order and condition from the ship's tackles (where the ship's responsibility shall cease,) at the aforesaid port of or so near thereto as she may safely get, unto or to his or their assigns. Freight for the said goods and primage (if any) to be paid by the shippers in on delivery of the bills of lading, in cash without deduction, ship lost or not lost. Average as accustomed.

The following are the exceptions and conditions above referred to:—

Weight, measure, quality, contents, and value unknown.

The act of God; the Queen's enemies; pirates; robbers by land or sea; restraint of princes, rulers or people; loss or damage from machinery, boilers or steam, or from explosion, heat, or fire on board, in hulk or craft, or on shore; jettison; barratry; any act, neglect, or default whatsoever, of Pilots, Master, or Crew in the management or navigation of the ship; and all and every the dangers and accidents of the seas, rivers, and canal, and of navigation of whatever nature or kind are excepted.

The ship is not liable for insufficient packing, or reasonable wear and tear of packages; for inaccuracies, obliteration or absence of marks, numbers, address or description of goods shipped; leakage; breakage; loss or damage by dust from coaling on the voyage; sweat; rust; decay. Fines and expenses, and losses by detention of ship or cargo, caused by incorrect marking, or by incomplete or incorrect description of contents or weight, or of any other particulars required by the authorities at the port of discharge, upon either the packages or bills of lading, shall be borne by the owners of the goods.

The Steamer, while detained at any port for the purpose of coaling, is at liberty to discharge and receive goods and passengers.

The Owners of this Steamer will not be accountable for Gold, Silver, Bullion, Specie, Jewellery, Precious Stones, or Precious Metals, or beyond the amount of One Hundred Pounds for any one package, unless the Bills of Lading are signed for such goods, and the value declared therein.

If medicinal fluids, or any other goods of an inflammable, damaging, or dangerous nature are shipped without being previously declared and arranged for, they are liable, upon discovery, to be thrown overboard, and the loss will fall upon the Shippers or Owners of such fluids or goods.

The goods are to be discharged from the ship as soon as public intimation is given that she is ready to unload, and if not thereupon removed without delay by the consignee, the master or agent is to be at liberty to land the same, or, if necessary, to discharge into hulk, lazaretto, or hired lighters, at the risk and expense of the owners of the goods.

In case of quarantine, the goods may be discharged into quarantine depot, hulk, or other vessel, as required for the ship's despatch. Quarantine expenses upon the goods, of whatever nature or kind, shall be borne by the owners of the goods.

In case of the blockade or interdict of the port of discharge, or if the entering of or discharging in the port shall be considered by the master unsafe by reason of war or disturturbances, the master may land the goods at the nearest safe and convenient port, at the expense and risk of the owners of the goods; and the ship's responsibility shall cease when the goods are so discharged into proper and safe keeping, the master giving immediate notice of the same to the consignees of the goods, so far as they can be ascertained.

The master or agent shall have a lien on the goods for payments made or liabilities incurred in respect of any charges stipulated herein to be borne by the owners of the goods.

In case any part of the within Goods cannot be found during the Ship's stay at the port of destination, they are when found to be sent back by the first Steamer, at the Ship's risk and expense, and subject to any proved claim for loss of market.

The ship shall not be liable for incorrect delivery unless each package shall have been distinctly marked by the shippers before shipment with the name of the port of destination.

IN WITNESS whereof the master or agent of the said ship has signed bills of lading exclusive of the Master's copy, all of this tenor and date, one of which being accomplished, the others to stand void.

Dated at

[Form No. 3 for a voyage involving trans-shipment, the Steamer not proceeding to the destination for which she accepts cargo, such as Rangoon, Batavia, or Japan. The special condition relating to this voyage is marked *.]

Reply of the Chairman of the Committee of Merchants appointed at the Meeting of Merchants and others interested in the trade with the East, held at the London Tavern on the 11th July 1871.

3, LOMBARD STREET, LONDON, E.C., *13th January*, 1875.

J. GORDON, Esq., Secretary, Bombay Chamber of Commerce.

SIR,—I have to acknowledge receipt of your favour of 14th December, with five copies of the papers circulated by your Chamber in reference to objectionable clauses inserted in the Bills of Lading by steamers trading to Bombay.

I would very willingly co-operate in any measures considered by your Chamber as calculated to put an end to the grievances of which with much justice they complain; but fear, I can only do so by calling the attention of regular shippers to Bombay to the matter. The two Committees which in 1872 agreed here upon the form of the Eastern Trade Bill of Lading could only recommend its adoption, and had no power whatever to enforce its use. This must rest with shippers individually or in combination; and if they are not alive to their own interests so far as to insist on the use of the Eastern Trade form, no Committee can do their work for them.

In the China trade, which comes more particularly under my own observation, all steamers use the Eastern Trade form with the exception of three important lines, the P. & O. S. N. Co., the French Messageries Maritimes, and Alfred Holt's Ocean Line of steamers from Liverpool. I have made efforts to get shippers to give in all cases the preference to lines using the Eastern Trade form to the exclusion of the above three lines; but have always failed in doing so. Shippers will not recognize the importance of these considerations, until a loss comes home to themselves individually. It is worth mentioning that Mr. Holt does allow the use of the Eastern Trade form, but charges shippers who require their Bills of Lading so made out 10 per cent. instead of 5 per cent. primage, and partly neutralizes the intention and effect of the form by stipulating in a written clause that the vessel is at liberty to proceed to "all other ports and places and for any purpose." I have good reason, however, for believing that hardly any shippers by that line avail themselves of the Eastern Trade form, all with few exceptions preferring Mr. Holt's own form (which abounds in objectionable clauses) at a reduction of 5 per cent. in the primage.

You may assure your Chamber that as opportunities present themselves I shall not fail to do anything in my power to call the attention of those chiefly interested to the great importance of insisting on equitable conditions in their Bills of Lading, and can only regret that the apathetic attitude of most shippers interposes so many difficulties in the way of effective action.—I remain, &c.,

J. MACANDREW.

Reply of Lloyd's Salvage Association.

SALVAGE ASSOCIATION, LONDON.

16, CORNHILL, E.C., *8th January*, 1874.

The SECRETARY, BOMBAY CHAMBER of COMMERCE, Bombay.

SIR,—I am desired by the Committee of this Association to acknowledge receipt of your letter of 14th Dec. respecting the Eastern Trade Bill of Lading.

I had the pleasure of laying that letter before the Committee at their Meeting on Tuesday last, and the Committee desired me to express their gratification that the Bill of Lading finally adopted in London, called the Eastern Trade Bill of Lading, has met with so decided an approval from the Bombay Chamber of Commerce.

With respect to the introduction of new clauses by certain shipowners into that Bill, it does not seem that any general action such as that which resulted in the adoption of the Eastern Trade Bill of Lading by consent can be relied upon to stop the mischief. The persons, in whose hands the remedy ought to lie, are the merchants; and a combination of the merchants, if they could be got to combine, would, I presume, defeat the attempt to introduce injurious clauses into Bills of Lading.

No doubt, if Underwriters could combine to limit in policies of insurance their liability to the merchants, a screw would be put upon merchants which might have considerable effect in securing that which the merchants themselves ought to secure without it. But such a combination among Underwriters is from the nature of their business and the manner in which it is conducted, and especially in London, almost impossible; and the attempt of Underwriters to apply such a screw would immediately rouse the resentment of the merchants.

Still this Committee composed of, among others, ten members from Lloyd's and every London Insurance Company, except one or two, is fully impressed with the mischief of clauses in Bills of Lading limiting shipowners' responsibility, and your letter, with the Circular enclosed, had the earnest attention of the Committee; and all the members are supplied with copies: and I think I may say that there is a disposition, if such a thing could be done with any prospect of success, to urge merchants to resist such clauses.—I am, &c.,

J. A. W. HARPER, Secretary.

APPENDIX G.

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THE WESTERN RAJPOOTANA RAILWAY—EXTENSION OF LINE FROM AHMEDABAD TO AJMERE.

No. 86 of 1875.

Bombay Chamber of Commerce, 28*th April*, 1875.

The Secretary to Government, Railway Department, Bombay.

Sir,—With reference to the Resolution of Government No. 1458, dated 22nd October 1874, on the Memorial of the Chamber of Commerce to His Excellency the Viceroy in Council praying for the immediate construction of the Railway from the Saburmuttee to Ajmere, and to the letter of the Government of India No. 2775 dated 3rd November, referred to in Government Resolution No. 1565 of 1874, in which it is stated that the Memorial will receive full consideration on receipt of the plans and estimates, which were then daily expected,—I am directed by the Committee of the Chamber to express their hope that the plans and estimates have ere this been received and considered by the Government of India, and respectfully to request that His Excellency in Council will be pleased again to urge upon that Government the great importance, in the interests of this Presidency, of the construction of the line being commenced with the least possible delay.—I have, &c.,

J. GORDON, Secretary.

No. 608 of 1875.—Railway Department.

To the Secretary to the Chamber of Commerce, Bombay.

Sir,—I am directed to acknowledge the receipt of your letter, dated 28th April, on the subject of the construction of the Railway from the Saburmuttee to Ajmere, and to inform you that a copy of it, together with a copy of a communication on the same subject from the Agent B. B. & C. I. Railway Company, dated 30th April, has been transmitted to the Government of India and the Secretary of State, and that His Excellency in Council has recommended that the construction of the line should be commenced with the least possible delay.—I have, &c.,

M. K. KENNEDY, Col., R.E.,
Secretary to Government.

Bombay Castle, 2nd June, 1875.

No. 117 OF 1875.

BOMBAY, *17th June*, 1875.

Colonel KENNEDY, R.E., Secretary to Government, Public Works (Railway) Department.

SIR,—I am directed by the Committee of the Chamber of Commerce to enclose the Chamber's Memorial to Her Majesty's Secretary of State for India in Council praying that his Lordship will be pleased to sanction the construction of the proposed line of Railway from Ahmedabad to Ajmere, and to order the work to be prosecuted with the utmost practicable expedition.

The Committee desire me respectfully to request that His Excellency in Council will do them the favour to transmit the Memorial to Lord Salisbury, at an early date, and with such expressions of approval as to His Excellency may seem proper.—I have, &c.,

J. GORDON, Secretary.

12 Copies of the Memorial enclosed.

No. 116 OF 1875.

To the Most Honourable the MARQUIS of SALISBURY, Her Majesty's Secretary of State for India in Council.

The Humble Memorial of the Bombay Chamber of Commerce

RESPECTFULLY SHEWETH,—That your Memorialists very earnestly entreat your Lordship's attention to the extreme importance, in the interests of this Presidency, of the immediate construction of the Railway from Ahmedabad to Ajmere, by which the districts of Rajpootana will be opened up, and the Northern Provinces of India connected with the Western Presidency, and with the Port of Bombay, by the shortest route.

That in the system of Railway communication for India projected by Lord Dalhousie, and with the exception of the proposed line completed, his Lordship considered that a line of Railway from Bombay or Surat by Baroda, to Agra, connecting Upper India with the Western Ports, and with the Presidency of Bombay, would be of "great political and

"commercial value, and calculated to afford the greatest "amount of general advantage;" and that the reasons which led his Lordship to that conclusion in 1853 have derived much additional force from the successful completion of the Suez Canal. The construction of the line from Ahmedabad to Ajmere has, as your Lordship is aware, been consistently advocated by the Government of Bombay; and, in November 1872, surveys of it were ordered by the Government of India. These surveys have now been completed: the location of the line determined; and the plans and estimates submitted to the Government of India. The line has, the Chamber understands, been found on examination to be most eligible: the country generally is level and easy; and the work of a light and inexpensive character.

That while the proposed line from Ahmedabad to Ajmere, a distance of about 300 miles only, would open up the districts of Rajpootana, in which there are many considerable towns, it would at the same time connect the rich and populous Provinces of Northern India with the Western Presidency, and with the Port of Bombay, by the shortest route. The Governor General's Agent for Rajpootana, Colonel Keatinge, in his Despatch, dated 27th February 1868, stated, with reference to this line, that it "would "have one great advantage—a most considerable trade exists "along it, and traffic would come to the rail at every point "to which it opened." The line follows the channel of the extensive transit trade in goods from Bombay and Guzerat to Pali, for further transmission to Delhi and Northern India, and to Umritsur and the Punjaub, which existed until about twenty years ago, but that trade has now been diverted into the safer, but circuitous routes, via Calcutta and Kurrachee. Now the saving in distance, between Bombay and Delhi and Agra, by the line from Ahmedabad to Ajmere, as compared with the Jubbulpore and Allahabad route, would be no less than 275 miles to Agra, and 350 miles to Delhi. Your Memorialists need hardly point to the fact that so great a saving in distance would at once lead to the development of a most important trade: the old transit trade would return to its natural channel with the opening of a Railway forming the shortest through communication: towns and districts on the line of route would be opened up: the traffic of Upper India would come at much less cost to Bombay, the nearest Port; while the productions of Europe would enter the

markets of the Northern Provinces at a great advantage compared with similar goods brought by longer routes.

That the proposed line would, your Memorialists believe, yield a fair return on the capital invested in it, and would promote not only the mercantile interests of this Presidency and of England, but the interests of a very large proportion of the people of India.

Wherefore your Memorialists most humbly pray that your Lordship in Council will be pleased to sanction the construction of the proposed line of Railway from Ahmedabad to Ajmere, and to order the work to be prosecuted with the utmost practicable expedition.

And your Memorialists will, as in duty bound, ever pray.

In the name, and on behalf, of the Members of the Bombay Chamber of Commerce,

J. A. FORBES, Chairman.
J. GORDON, Secretary.

Bombay, 17th June, 1875.

No 1344 OF 1875.

PUBLIC WORKS DEPARTMENT, RAILWAY.

BOMBAY CASTLE, *24th November.*

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—In continuation of my letter No. 779, dated 7th July last, I am directed by His Excellency the Governor in Council to state, for the information of the Chamber, that the Secretary of State for India in a Despatch, dated 28th October last, No. 8, intimates that the representations of the Chamber contained in their Memorial, praying for the speedy completion of the Ahmedabad and Ajmere Railway, will receive every consideration when the question comes before him in Council, after the receipt of the views of the Government of India on the project.—I have, &c.,

H. F. HANCOCK, Lt.-Col. R.E.,
Under-Secretary to Government.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

Forecast of expenditure from Extraordinary Funds on Railways and Irrigation Works.

Extract from the Proceedings of the Government of India, Public Works Department, Account—General,—No. 354 A—G, dated 11th June 1875.

Read again—

Resolution in the Public Works Department, No. 377 A—G, dated 18th July 1873.

Read also—

Tables and Memorandum prepared in the Public Works Department, dated 11th June 1875.

OBSERVATIONS.—In July 1873 a Resolution was published in the *Gazette of India* reviewing the contemplated operations for the extension of Railways and Irrigation Works in India, with a Forecast of the probable result of an annual outlay of 4½ millions sterling for five years. The conclusion arrived at by the Government of India was, that the operations might be continued on that scale without fear of financial embarrassment. But it was added in conclusion that the arrangements permitted of the rate of expenditure being contracted if a reduction should be found necessary.

2. The basis of the calculations made in 1873 was this :—

In the year 1872-73, after deducting the net receipts derived from works in operation, there remained a sum of £2,378,140 charged to revenue for the interest of money borrowed, whether directly by Government or indirectly through Guaranteed Companies, for the construction of 'reproductive' public works. The term 'reproductive' is meant to imply not that all these works are likely to be in themselves remunerative as an investment of capital, but that their effect will be to add to the general wealth of the country. The condition of the finances was such as to satisfy the Government of India that a similar charge of £2,378,140 might be met in future years without increased taxation.

As works under progress are completed, and as those lately completed are brought into fuller work, fresh receipts will come in: some increase is also to be expected from old works. In the Forecast of 1873 the rate of expenditure upon works in progress and new works was so adjusted for five years, that the estimated additional annual charge upon revenue for the interest of money to be borrowed should be met by the estimated additional receipts, and no increased annual charge upon revenue should be incurred. The calculations then made showed an estimated annual charge upon revenue in every year after 1872-73 considerably below the charge incurred in that year.

3. These calculations can be now compared with the actua results of the last three years : thus—

	Forecast of 1873.	Present information.	Based on
Excess of interest charges over net receipts.	£	£	
1872-73	2,378,140	2,357,696	Actuals.
1873-74	2.127,579	1,780,833	„
1874-75	2,019,780	1,565,705	Regular Estimate.

It will be seen that the Forecast of 1873 has been more than justified by the facts. The large decrease of the net annual charge in 1873-74 and 1874-75 is due in a great measure to the increase in the Profits of the Guaranteed Railways owing to the great extension of the grain traffic during the famine of 1873-74. But detailed calculations show that without taking those profits into account the calculations of the Forecast of 1873 would have been perfectly safe.

4. Since the publication of that Forecast it has been deemed expedient to limit the annual outlay on reproductive public works, classed as extraordinary, for the prosecution of which funds are authorised to be raised by loan, if necessary, to 4 millions sterling.

5. New tables have been prepared on this basis. They include the operations of 1872-73 and 1873-74 taken from the accounts of actual outlay, and those of 1874-75 taken from the Regular Estimate. The operations for 1875-76 are taken from the Budget Estimate, and those of the following four years from the best estimate that can be formed of probable operations. The new Forecast extends to the Financial year 1879-80. The excess of interest charges over net receipts is estimated to decrease from £2,357,696, the actual charge in 1872-73, to £1,939,806 in 1879-80. This charge is expected to average £2,023,126 per annum from 1875-76 to 1879-80, as shown in the margin. The even progress of the fall was interrupted by the earnings of the famine traffic in 1873-74 and 1874-75; but the regular series is resumed in 1875-76. The result is on the whole much the same as in the calculations of 1873.

	£
1875-76	2,179,394
1876-77	2,010,920
1877-78	2,022,306
1878-79	1,963 206
1879-80	1,939,866
Total ...	10,115,632
Average per annum	2,023,126

6. The principal circumstances which have led to alterations in the present Forecast as compared with that of 1873 are the following. The total annual outlay has been limited to 4 millions sterling with full effect from 1876-77. The estimated cost of the State Railways has been considerably affected by the decision to make the Indus Valley, the Punjab Northern, and the Scindia lines on the broad gauge, which necessitates a larger outlay of capital without a corresponding increase of traffic receipts. The outlay

upon Irrigation Works is concentrated on fewer projects. The interest has been calculated at 4½ instead of 4 per cent. It is to be noted that interest has been calculated on the entire sum charged under the head Extraordinary, while no deduction has been made for receipts from Irrigation Works in Madras, Bombay (including Sindh), and Rajpootana, in consequence of the manner in which the receipts derived from irrigation are to be separated from the land revenue not having been finally decided. No allowance has been made for the probability that surplus revenue will be applied to the construction of reproductive works. It will thus be seen that a considerable margin has been allowed for safety in these calculations.

7. The result of the new Forecast is satisfactory. It appears that, taking a moderate estimate of the growth of income from existing Railways and Irrigation Works, and very small returns from the new works, an annual capital outlay of 4 millions for the next five years on State Railways and Irrigation Works charged with interest at 4½ per cent. is not likely to lead to any increase of annual charge on the revenues of India.

8. The progress intended to be effected in the works in hand according to this Forecast is as follows:—

GUARANTEED RAILWAYS.

9. All the Guaranteed Railways are open for traffic complete, with the exception of the Oudh and Rohilkund and South of India Railways.

Of the Oudh and Rohilkund Railway, 539¾ miles have been opened for traffic. The bridge over the Ganges at Cawnpore will be completed before the end of the current year and connection established with the East India Railway. The total mileage then open for traffic will be 544 miles. It is as yet uncertain when the remaining sections of the Oudh and Rohilkund Railway as originally projected, viz., from Buxar to Akbarpore, and a branch to the foot of the hills near Raneekeet, will be undertaken.

The South Indian Railway is to be of 619¾ miles in length on the metre gauge, of which 167 miles from Negapatam to Erode (at present on the 5" 6' gauge, but to be converted to the metre gauge) are open; also 18¾ miles from Arconum to Little Conjeveram (at present on 3 feet 6¾ inches gauge). The Southern extension, 215¾ miles on the metre gauge, from Trichinopoly to Tuticorin, with a branch to Tinnevelly, is expected to be open throughout in 1875-76, and the Northern extension, 218 miles, from Madras to Tanjore in 1876-77.

STATE RAILWAYS.

10. The progress expected in the State Railways is as follows:—

The Punjab Northern Railway, 103 miles in length, from Lahore to Jhelum, will be completed on the broad gauge on a bank separated from the Grand Trunk Road and opened for traffic	in 1876-77

The Rajpootana Railway on the metre gauge, 323 miles of which are already open, will be completed and in work, from Delhi and Agra (including the bridge over the Jumna at Agra) to Ajmere and Nusseerabad, a length of 396 miles ... in 1876-77

The Wardha Valley line for the supply of coal from the Warora Colliery to the Great Indian Peninsula Railway will be completed and at work, 46 miles, on the 5½ feet gauge ... ... in 1876-77

The Rangoon and Irrawaddi Valley Railway, 161 miles, on the metre gauge, will be completed to Prome ... ... in 1877-78

The Indus Valley Railway, from Kotree to near Mooltan, 498 miles in length, will be completed on the 5½ feet gauge and opened for traffic, including the large bridges over the Sutlej at Bahawalpore and over the Indus at Sukkur ... in 1878-79

The Holkar State Railway, of which 57 miles are now open for traffic, will be completed from Khundwa to Indore, including the bridge over the Nerbudda, and will be extended to Neemuch and Oojein, a length in all of 254½ miles, on the metre gauge ... ... in 1878-79

The Scindia Railway (72 miles of 5½ feet gauge) will be completed from Agra to Gwalior, including the large bridge over the Chumbul ... ... in 1879-80

The Northern Bengal Railway, 225 miles on the metre gauge, from the Ganges above Kooshtea to the foot of the Darjeeling Hills, will be completed and opend for Traffic... in 1878-79

The Tirhoot Railway, 110 miles on the metre gauge, which occupies the principal lines over which the grain was carried in the recent famine relief operations, and of which the permanent line from the Ganges to Durbungha, 50 miles, will be finished in 1875-76, will be completed ... ... in 1877-78

The above operations embrace the completion of 1,865 miles of State Railway, of which 719 miles will be on the broad and 1,146 miles on the narrow (metre) gauge. Other lines of Railway will also be undertaken as the completion of these sets free funds and staff.

IRRIGATION WORKS.

11. For Irrigation Works the progress expected is as follows :—

MADRAS.—Godavery Delta works.—Eastern and Western Deltas : Rectifications and necessary additions to existing works, improvements to the distributary system, and some additional lengths of channel required for an extension of the irrigated area, are being carried on as rapidly as the available supply of labour will admit, and will probably be completed by the year 1879-80.

Similar operations in the Kistna Delta. A large proportion of those already sanctioned will probably be finished by 1879 80, but owing to the limited supply of labour, the work can only be carried out slowly.

Similar operations in Pennair Delta will probably be completed by the year 1877-78.

Weir across the Vellaur River.—Will probably be completed by the year 1876-77.

Works in the Cauvery Delta.—These are works for regulating the supply of water to the several natural channels which distribute the irrigation from the Cauvery weirs in the districts of Tanjore and Trichinopoly. They are all nearly complete, with one exception, the estimates for which are not yet sanctioned.

Streeviguntum weir project.—A new work across the river Tambrapoorney in the Tinnevelly district; in great part completed, and will probably be finished by 1877 78.

BOMBAY.—Ekhrookh Tank and Mookti Reservoir.—Nearly complete; will probably be finished by 1876-77.

Moota Moola project.—Masonry dam across the river, forming a reservoir to supply water to Poona, and irrigation to lands above and below. Partially completed; now supplies water to Poona and some irrigation: may be finished by 1878-79.

Krishna, Palkheir, Lakh and Hathmuttee Canals.—Channels from rivers; all nearly completed.

Sukkur, Mitrow, and Bigaree Canals.—All inundation canals in Sindh, the two first new; improvements are being made to the last, which has for some years supplied the station of Jacobabad and the lands along its course with irrigation. The sanctioned work on all three is nearly completed.

BENGAL.—Soane works.—The canal was formally opened in April last. The weir across the Soane is complete; the Arrah Branch and its distributaries are ready for the most part for the issue of water; the Patna and Buxar branches are in progress. Revised estimates for the completion of the project within certain limits are now under consideration. It is intended to push on the works to completion as rapidly as circumstances will allow. The portion of the project now in progress will probably be finished in 1880.

Orissa and Midnapoor.—These originally formed one project, but are for the present being worked separately, and have supplied irrigation to a limited extent for the last three or four years. The rivers Mahanuddee, Brahminee, and Byturnee supply the Orissa series, the Cossye that in the Midnapoor District. The limits to which the projects should be carried out are now under consideration. In Orissa the works in progress are the canals and distributaries in the Central and Northern Deltas of the Mahanuddee, and the weirs and channels from the Brahminee and Byturnee. The work projected for the next few years is to complete these, and bring them into operation as rapidly as possible. In Midna-

poor the work remaining to be done chiefly consists in completing the distributary system, drainage and river embankments.

Irrigation Works in Tirhoot.—Investigations are now being made to ascertain how far the wants of the tract in North Behar, which has suffered most from famine, can be supplied by small works in connection with numerous petty streams intersecting it, as well as by inundation canals from the Gunduck.

N. W. PROVINCES.—Ganges Canal.—Rectifications of existing works, and extensions and improvements to the distributary system are in progress. Most of these works can only be carried out slowly owing to the necessity of keeping the channels full to supply the irrigation. Some new works, such as weirs in the main channel, can only be built when the canal is closed, as it usually is, for about a month every year for periodical repairs.

Agra Canal.—This canal was opened in March 1874. The work remaining to be done chiefly consists in completing the distributary system, and the separate navigable lines connecting it with the cities of Muttra and Agra.

The Lower Ganges Canal.—This is a new work, is being pushed on as rapidly as possible, and will probably be ready for opening in 1878-79.

Irrigation Works in Bundelkund.—Estimates for one project consisting of a weir on the Betwa river and channels therefrom are now under consideration.

PUNJAB.—Western Jumna Canal.—Some of the new distributaries are in progress, and the new canal-channel in substitution for a portion of the existing Main Line and Delhi Branch is being commenced. The permanent weir across the Jumna river and head-works are well advanced, and may probably be completed in a year or two. It is intended to push on the other works as rapidly as the available supply of labour will admit.

Baree Doab Canal.—Permanent weir and head-works on the River Ravee are in operation; a small outlay only is required to complete them. The Kussoor and Sabraon branches are well advanced. These, with their distributary channels and the distributaries required to complete the system on the branches now open, will probably be completed by 1879-80. The rectification of the Main Canal is in progress, but is necessarily a slow process with a running canal.

Sirhind Canal.—These works are being pushed on as rapidly as possible. They will probably be sufficiently

advanced by 1879-80 to allow of water being passed down the main channels and portions of the branches.

Swat River Canal.—This will irrigate a portion of the Peshawur Valley. The project has been drawn up and is now under consideration.

RAJPOOTANA.—Bheer Reservoir.—Is nearly completed. Irrigation has commenced therefrom.

ORDER.—Ordered, that this Resolution, with the tables referred to, to be communicated to the Secretary of State, and that a copy be published in the Supplement to the *Gazette of India*.

C. H. DICKENS, Colonel, R.A.,
Secy. to the Govt. of India.

GENERAL SUMMARY.

Forecast of net charge on the Revenues of India on account of Guaranteed Railways, and State Railways and Irrigation Works classed as Public Works Extraordinary.

	Actual.		Estimate.					
	1872-73.	1873-74.	1874-75 (Regular Estimate).	1875-76 (Budget Estimate).	1876-77.	1877-78.	1878-79.	1879-80.
Charges.	£	£	£	£	£	£	£	£
Guaranteed Railways—Interest, land and control, &c. ...	4,819,457	4,820,343	4,791,170	4,825,700	4,847,000	4,832,000	4,824,000	4,824,000
State Railways—Interest ...	141,733	249,256	399,535	535,179	638,679	755,265	876,765	998,265
Irrigation Works—Interest ...	232,590	286,530	343,141	401,641	460,141	518,641	577,141	635,641
	5,193,780	5,356,129	5,533,846	5,762,520	5,945,820	6,105,906	6,277,906	6,457,906
Receipts.								
Guaranteed Railways ...	2,547,900	3,230,554	3,561,000	3,141,700	3,351,000	3,390,000	3,511,000	3,609,000
State Railways	5,362	—6,474	38,100	74,356	169,000	258,000	349,000	430,000
Irrigation Works	282,822	351,216	369,041	367,070	414,900	435,600	454,700	479,100
	2,836,084	3,575,296	3,968,141	3,583,126	3,934,900	4,083,600	4,314,700	4,518,100
Net Charges.								
Guaranteed Railways ...	2,271,557	1,589,789	1,230,170	1,684,000	1,496,000	1,442,000	1,313,000	1,215,000
State Railways	136,371	255,730	361,435	460,823	469,679	497,265	527,765	568,265
Irrigation Works	—50,232	—64,686	—25,900	34,571	45,241	83,041	122,441	156,541
	2,357,696	1,780,833	1,565,705	2,179,394	2,010,920	2,022,306	1,963,206	1,939,806

Note.—In the case of State Railways and Irrigation Works, the interest charges have been calculated only on such portion of the Capital outlay as represents expenditure charged or to be charged as Extraordinary.
Likewise in the case of the Guaranteed Railways no interest is charged on the State outlay but only the guaranteed interest payable to the Companies, and the State outlay actually incurred.

GUARANTEED RAILWAYS.

STATEMENT No. I.

Estimated Capital and Interest payments of Guaranteed Railways to end of 1879-80.

ESTIMATE OF CAPITAL REQUIRED.

RAILWAY.	Length in miles.	Probable cost.	Capital raised to 31st March 1874.	ADDITIONAL CAPITAL TO BE RAISED IN THE YEARS 1874-75.	1875-76.	1876-77.	1877-78.	1878-79.	1879 80.	Total raised and to be raised.	REMARKS.
		£	£	£	£	£	£	£	£	£	
East Indian, Main Line ...	1,503¾	30,700,000	30,785 000	610	...	...	...	...	...	30,785,610	
,, Jubbulpoor Line...											
Eastern Bengal ...	159¼	3,100,000	2,850,000	—161,700	416,400	...	...	...	...	3,104,700	
Great Indian Peninsula ...	1,286	23,400,000	23,478,000	...	..	...	...	...	...	23,478,000	
Bombay, Baroda and Central India	407½	7,800,000	7,740,000	90,500	900	...	...	...	...	7,831,400	
Madras	857½	10,165,000	10,165,000	2 659	3,000	...	...	...	...	10,170,659	
South Indian	619¾	3,600,000	3,659,000	—1,000	...	...	...	...	...	3,658,000	
Sindh, Punjab and Delhi ..	662	10,400,000	11,080,000	...	..	...	...	...	...	11,080,000	
Oudh and Rohilkhund... ...	544	5,970,000	4,970,000	501,231	500,000	...	...	...	...	5,971,231	
	6,040½	95,135,000	94,727,000	432,300	920,300	...	...	...	...	96,079,600	

ESTIMATE OF CHARGES FOR GUARANTEED INTEREST.

	Actuals, 1872-73.	Actuals, 1873-74.	Regular Estimate, 1874-75.	Budget Estimate, 1875-76.	1876-77.	1877-78.	1878-79.	1879-80.
	£	£	£	£	£	£	£	£
Interest on Capital to be paid up ...	..	...	...	...	45,000	..	...	...
Add—Interest on Capital already paid up..	4,658,401	4,667,905	4,700,400	4,727,000	4,727,000	4,772,000	4,772,000	4,772,000
Total charge for Guaranteed Interest (*a*) ..	4,658,401	4,667,905	4,700,400	4,727,000	4,772,000	4,772,000	4,772,000	4,772,000

(*a*).—The amounts include £49,983 on account of interest for the Madras Irrigation and Canal Company.

GUARANTEED RAILWAYS.

STATEMENT No. II.

Statement of actual and estimated Net Traffic Receipts of Guaranteed Railways as applied, or to be applied, in the reduction of charges for Guaranteed Interest.

	ACTUALS.					ESTIMATES.					
	Net receipts, 1869-70.	Net receipts, 1870-71.	Net receipts, 1871-72.	Net receipts, 1872-73.	Net receipts, 1873-74.	Net receipts, 1874-75 (Regular Estimate)	Net receipts, 1875-76 (Budget Estimate)	Net receipts, 1876-77.	Net receipts, 1877-78.	Net receipts, 1878-79.	Net receipts, 1879-80.
	£	£	£	£	£	£	£	£	£	£	£
East Indian, Main Line ...	1,545,564	1,446,098	1,447,476	1,416,052	1,762,556	1,879,200	1,604,000	1,604,000	1,630,000	1,670,000	1,690,000
" Jubbulpoor Line ...	*—3,105	15,642	30,429	108,297	100,250	137,000	96,000	96 000	96,000	96,000	96,000
Eastern Bengal ...	86,643	106,122	86,296	88,413	117,360	193,000	148,500	165,000	170,000	180,000	185,000
Great Indian Peninsula ...	437,442	611,338	830,653	602,306	651,324	759,000	779,000	785.000	795,000	800,000	805,000
Bombay, Baroda and Central India ...	131,845	118,389	269,091	164,414	213,576	268,000	239,000	240,000	240,000	250,000	255,000
Madras ...	284,866	232,469	251,140	286,741	251,669	183,000	206,200	210,000	210,000	220,000	225,000
South Indian ...	25,753	29,671	25,407	44,624	44,138	38,000	82,000	96 000	103,000	130,000	150,000
Sindh, Punjab and Delhi ..	188,220	92,894	—20,214	—88,549	148,649	426,000	110,000	145,000	150,000	155,000	158,000
Oudh and Rohilkhund ...	5,241	—30,873	11,503	10,466	35,543	80,000	90,000	150,000	170,000	200,000	250,000
	2,702,469	2,621,750	2,931,781	2,632,764	3,325,065	3,963,200	3,354,700	3,491,000	3,569,000	3,701,000	3,814,000
Less—Moiety of surplus profits paid, or to be paid, to Railway Companies ...	74,530	65,047	54,628	78,279	83,876	392,000	202,500	140,000	179,000	190,000	205,000
	2,627,939	2,556,703	2,877,153	2,554,485	3,241,189	3,571,200	3,152,200	3,351,000	3,390,000	3,511,000	3,609,000
Madras Irrigation and Canal Company ..	1,003	74	—8,205	—6,585	—10,635	—10,200	—10,500	...	...	...	...
Net amount available to be applied in reduction of the charge for guaranteed interest ...	2,628,942	2,556,777	2,868,948	2,547,900	3,230,554	3,561,000	3,141,700	3,351,000	3,390,000	3,511,000	3,609,000

* After reduction of £10,244, being recovery effected in England on account of deficit in working of Jubbulpoor Line, East Indian Railway.

GUARANTEED RAILWAYS.

STATEMENT No. III.

Approximate Statement of the total net charge on the Revenues of India on account of Guaranteed Railways to end of 1879-80.

	Actuals.		Estimated sums for					
	1872-73.	1873-74.	1874-75 (Regular Estimate).	1875-76 (Budget Estimate).	1876-77.	1877-78.	1878-79.	1879-80.
Charges on the State—	£	£	£	£	£	£	£	£
Interest on total Capital ...	4,658,401	4,667,905	4,700,400	4,727,000	4,772,000	4,772,000	4,772,000	4,772,000
Land and Control ...	110,081	87,987	90,770	98,700	75,000	60,000	52,000	52,000
Loss on sale of permanent-way materials and carriage of same to Nizam's State Railway	50,975	64,451	...	...	...	...	...	...
	161,056	152,438						
Total gross Charge	4,819,457	4,820,343	4,791,170	4,825,700	4,847,000	4,832,000	4,824,000	4,824,000
Net Receipts	2,547,900	3,230,554	3,561,000	3,141,700	3,351,000	3,390,000	3,511,000	3,609,000
Net Charge against Revenue ...	2,271,557	1,589,789	1,230,170	1,684,000	1,496,000	1,442,000	1,313,000	1,215,000

STATE

No.

Statement of actual and proposed outlay to

No.	Name of Railway.	Length in miles	Probable cost.	Actual	
				To end of 1871-72.	During 1872-73.
	I.—Sanctioned Works, including those completed and in progress.		£	£	£
1	Calcutta and South-Eastern	28	* 600,000	529,003	—7,423
2	Nulhattee	27½	* 30,000	30,000	..
3	Punjab Northern—Lahore to Jhelum ...	103	†2,300,000	745,103	368,643
4	Indus Valley..	498	†5,000,000	122,086	210,869
5	Rajpootana (Delhi Division)	142	780,000	172,348	143,499
6	,, (Agra ,,)	254	1,500,000	113,348	266,093
7	Wardha Valley	46	400,000	6,686	100,560
8	Holkar	85½	1,000,000	36,327	186,328
9	Nimach—Indore to Nimach	169	1,100,000	31,691	13,089
10	Tirhoot—Chumpta Ghat to Durbunga ..	50	270,000	..	..
11	Northern Bengal	225	1,400,000	5,269	10,774
12	Burmah (Rangoon and Irrawaddi Valley) ..	161	900,000	2,674	681
13	Scindia—Agra to Gwalior	72	†1,000,000	..	1,624
14	Tirhoot Branch from Tajpoor to Mozufferpoor, and extension to Mokameh Ghat ..	60	† 500,000	..	..
	Total I. ...	1,921	16,780,000	1,794,535	1,294,737
	II.—Works under consideration, and for which estimates have been prepared, but which have not yet been sanctioned.				
15	Nagpur and Chatisgurh	130	800,000		
16	Nimach—Nimach to Nusseerabad ..	134	800,000		
17	Mahratta (Carwar and Bellary)	264	1,600,000		
	Total II. ..	528	3,200,000	34,166	22,488
	III—Works proposed and under survey.				
18	Northern Punjab—Jhelum to Peshawur ..	170	..		
19	Western Rajpootana	300	...		
20	Tirhoot (Extensions)	..	...		
	Total III. ..	470			
	IV.—Suspense (Stores undistributed.) ...	..	...	21,540	110,417
	Grand Total ..	--	...	1,850,241	1,427,642
	Less met from Ordinary Grant ..	..	...	12,390	13,993
	Net charge Extraordinary ..	..	..	1,837,851	1,413,649

* Actual cost. The outlay does not include the following sums, charged as ordinary expenditure:—

	£
Purchase of land and control	108,500
Loss by exchange	30,000

† Probable cost is entered approximately.

RAILWAYS.

I.

end of 1879-80 *on State Railways in India.*

OUTLAY.		PROBABLE EXPENDITURE.							Item No.
During 1873-74.	Total outlay to end of 1873-74.	1874-75, Regular Estimate	1875-76, Budget Estimate	1876-77.	1877-78.	1878-79.	1879-80	Total to end of 1879-80.	
£	£	£	£	£	£	£	£	£	
—13,147	508,433	80,550	—35,000	..	...	..	...	553,983	1
—46	29,954	..	...	...	...	...	...	29,954	2
282,478	1,396,224	335,000	470,000	98,776	...	...	...	2,300,000	3
653,949	986,904	771,400	970,000	1,000,000	900,000	371,696	...	5,000,000	4
248,311	564,158	185,000	210,000	39,250	...	...	...	2,280,000	5
422,151	801,592	480,000							6
30,565	137,811	70,000	90,000	90,000	12,189	..	...	400,000	7
298,997	521,652	278,600	180,000	19,748	...	..	...	1,100,000	8
126,343	171,123	200,000	180,000	195,000	244,375	109.502	...	1,100,000	9
‡ 97,867	97,867	164,000	...	...	...	...	...	26 ,867	10
30,487	46,530	385,000	280,000	315,000	250,000	123,470	...	1,400,000	11
..	3,355	130,000	430,000	270,000	66,645	...	...	900,000	12
7,967	9,591	12,500	100,000	250,000	350,000	250,000	27,909	1,000,000	13
..	...	10,000	90,000	250,000	150,000	...	...	5 0,000	14
2,185,922	5,275,194	3,102,050	2,965,000	2,527,774	1,973,209	854,668	27,909	16,725,804	
									15
									16
									17
27,129	83,783	12,570	§ 45,000	172,226	726,791	1,845,332	2,672,091	5,557,793	
									18
									19
									20
168,010	299,967	—133,000	...	..	...	...	...	166,967	
2,381,061	5,658,944	2,981,620	3,010,000	2,700,000	2,700,000	2,700,000	2,700,000	22,450,564	
26,436	52,819	204,070	10,000	...	...	...	..	266,889	
2,354,625	5,606,125	2,777,550	3,000,000	2,700,000	2,700,000	2,700,000	2,700,000	22,183,675	

‡ Exclusive of £23,228 debitable to Famine Relief.

§ Of this sum £35,000 is reduction of the capital of No. 1 Railway, and £10,000 is deducted at foot as chargeable to Ordinary.

STATE RAILWAYS.

No. II.

Statement of actual and estimated net traffic receipts of State Railways from 1871-72 *to end of* 1879-80.

Name of Railways.	Actuals.			Estimated.					
	Net receipts 1871-72.	Net receipts 1872-73.	Net receipts, 1873-74.	Net receipts, 1874-75 (Regular Estimate.)	Net receipts 1875-76, Budget Estimate.	Net receipts, 1876-77.	Net receipts, 1877-78.	Net receipts, 1878-79.	Net receipts, 1879-80.
	£	£	£	£	£	£	£	£	£
Calcutta and South-Eastern State Railway ...	4,064	1,262	—10,197*	1,800	200	1,000	1,000	1,000	1,000
Nulhattee State Railway ...	...	4,100	3,282	2,480	2,556	3,000	3,000	3,000	3,000
Rajpootanna ,, (Delhi District) ...	...	...	141	28,420	60,000	25,000	28,400	38,000	48,000
Ditto ,, (Agra ,,) ...	...	...	...			51,000	60,850	76,000	85,000
Punjab Northern State Railway ...	...	...	...	...	3,000	15,000	16,500	17,000	18,000
Indus Valley State Railway ...	...	...	...	...	...	20,000	43,900	62,000	72,000
Wardha Valley State Railway ...	...	...	...	600	2,000	8,000	10,000	15,000	20,000
Holkar State Railway	...	...	300	4,800	6,600	12,000	14,750	17,000	20,000
Nimach ,, ...	...	...	...	...	...	8,000	15,000	20,000	25,000
Northern Bengal State Railway ...	...	...	...	...	...	9,000	24,000	40,000	56,000
Rangoon and Irrawaddi Valley ...	...	...	...	...	...	9,000	18,000	30,000	42,000
Scindia	...	...	...	...	...	1,000	7,500	10,000	15,000
Tirhoot and other Railways ...	...	...	...	...	...	7,000	15,100	20,000	25,000
Total ...	4,064	5,362	—6,474	38,100	74,356	169,000	258,000	349,000	430,000

* Includes transfer from Capital to Revenue of value of stock in hand at debit of Capital.

STATE RAILWAYS.

No. III.

Approximate Statement of the total net charge on the Revenues of India on account of State Railways for the period ending 1879-80.

	Actuals to end of March 1872.	Actual.		Estimated.					
		1872-73.	1873-74.	1874-75.	1875-76.	1876-77.	1877-78.	1878-79.	1879-80.
Loan at 4½ per cent.	£	£	£	£	£	£	£	£	£
Capital outlay in each year	1,837,851	1,413,649	2,354,625	2,777,550	3,000,000	2,700,000	2,700,000	2,700,000	2,700,000
Less provided by His Highness Maharaja Holkar at 4½	450,000	110,000	110,000	110,000	110,000	110,000	...	...	..
	1,387,851	1,303,649	2,244,625	2,667,550	2,890,000	2,590,000	2,700,000	2,700,000	2,700,000
Add—Amount provided in excess of probable outlay of year by His Highness Maharaja Scindia	..	...	..	550,000	...	...	...	...	..
Deduct—Amount of grant of year provided from His Highness Maharaja Scindia's balance	...	..	...	..	40,819	400,000	109,181	...	..
	1,387,851	1,303,649	2,244,625	3,217,550	2,849,181	2,190,000	2,590,819	2,700,000	2,700,000
Total to end of each year	..	2,691,500	4,936,125	8,153,675	11,002,856	13,192,856	15,783,675	18,483,675	21,183,675
Interest charge	..	121,118	222,126	366,915	495,129	593,679	710,265	831,765	953,265
Loan from His Highness Maharaja Holkar at 4½ per cent.									
Capital outlay in each year	450,000	110,000	110,000	110,000	110,000	110,000	...	..	..
Total to end of each year	..	560,000	670,000	780,000	890,000	1,000,000	1,000,000	1,000,000	1,000,000
Interest charge	..	(*a*) 20,615	(*b*) 27 ,130	32,620	40,050	45,000	45,000	45,000	45,000
Result.									
Total intesest charge	..	141,733	249,256	399,535	535,179	638,679	755,265	876,765	998,265
Estimated net earnings as per Statement No. II.	..	5,362	—6,474	38,100	74,356	169,000	258,000	349,000	430,000
Net charge on Revenue	..	136,371	255,730	361,435	460,823	469,679	497,265	527,765	568,265
Estimated mileage open	55	55	120	402	823	1,225	1,622	1,997	2,372

(*a*) (*b*).—Actual charge.

IRRIGATION

No.

Statement of actual and proposed outlay to end of

Item No.	Projects.	Probable cost.	Actual outlay. To end of 1871-72.	During 1872-73.	During 1873-74.	Total to end of 1873-74.
	(1) Works that have been sanctioned, including those completed and in progress.	£	£	£	£	£
	Madras.					
1	Extension of irrigation, and additions and improvements to existing works in the Eastern and Western Deltas of the Godavery ..	369,000	81,000	31,436	27,170	139,606
2	Works in connection with the Kistna Delta ..	167,000	94,471	10,959	11,222	116,602
3	Ditto ditto Pennair Delta.	66,000	43,195	2,438	2,965	48,598
4	Anicut across the Vellaur River	29,000	9,040	6,977	6,830	22,847
5	Improvements and other works connected with the Cauvery Delta ..	44,000	31,692	5,712	3,170	40,574
6	Streeviguntum Anicut Project.	120,000	73,420	18,546	7,483	99,449
	Bombay.					
7	Ekrookh Tank, and Mookti Reservoir ..	151,000	135,123	1,362	2,731	139,216
8	Moota Moola Project ..	493,000	260,212	56,193	44,592	360,997
9	Kristna Canal, Paikheir Canal, Lakh Canal, and Hathmuttee Canal ..	106,000	66,139	12,651	8,345	87,135
10	Sukkur and Shahadpoor Canals, Mitrow Canal, and improvements to Bigaree Canal (Sindh) ..	144,000	76,157	14,508	18,521	109,186
	Bengal.					
11	Soane Project ..	(c) 2,710,000	438,915	245,304	293,200	977,719
12	Orissa and Midnapoor Project.	(a) 2,850,000	1,656,788	201,815	219,409	2,078,012
	North-Western Provinces.					
13	Remodelling and extensions of the Ganges Canal ..	895,000	218,054	40,611	43,280	301,945
14	Agra Canal ..	(c) 757,000	302,307	117,952	118,976	539,287
15	Lower Ganges Canal ..	(b) 2,053,000	12,087	42,352	264,347	318,786
	Punjab.					
16	Improvements and extensions of the Western Jumna Canal.	756,000	70,156	10,289	22,383	102,828
17	Improvements and extensions of the Baree Doab Canal ...	480,000	158,143	34,371	29,142	221,656
18	Sirhind Canal ...	(b) 3,087,000	405,045	192,817	137,114	734,976
	Rajpootana.					
19	Bheer Reservoir ...	20,000	1,629	9,190	5,443	16,262
	Total (1) ...	15,297,000	4,133,573	1,055,733	1,266,325	6,455,631

(a).—Complete estimates for these works have not been sanctioned by Secretary
(b).—Includes provision for increased establishment in addition to amount sanc
(c).—This is the amount of revised estimate still to be sanctioned.

WORKS.

I.

1879-80 *on Irrigation Works in India.*

Probable outlay.						Total outlay to end of 1879-80.	Deduct met from contributions	Balance outlay to end of 1879-80.
1874-75. (Regular Estimate)	1875-76. (Budget Estimate)	1876-77.	1877-78	1878-79.	1879-80.			
£	£	£	£	£	£	£	£	£
46,282	46,86	40,000	40,000	37,000	19,252	369,000	..	369,000
13,528	12,288	13,000	11.582	..	...	167,000	..	167,000
5,820	2,312	4,000	4,000	1,370	...	66,100	..	66,100
1,450	2,540	1,163	..	...	..	28,000	..	28,000
2,060	...	1,366	..	..	...	44,000	..	44,000
5,560	5,000	5,000	4,991	...	...	120,000	..	120,000
7,525	5,106	...	..	..	..	151,847	..	151,847
33,55	47,841	22,000	10,000	18,612	..	493,000	..	493,000
11,895	7,675	...	..	...	...	106,705	..	106,705
20,380	14,378	...	..	...	....	143,944	..	143,944
318,22	255,037	240,000	240,000	240,000	240,000	2,510,981	..	2,510,981
202,397	170,963	150,000	150,000	100,000	...	2,851,372	..	2,851,372
38,677	59.668	80,000	80,000	80,000	80,000	715,290	..	715,290
101,085	87,012	20,000	..	..	...	747,334	..	747,334
242,137	303,320	260,000	260,000	260,000	260,000	1,904,243	..	1,904,243
39,176	78,160	75,000	75,000	75,000	75,000	520,164	..	520,164
40,000	50,000	50,000	50,000	50,000	18,344	480,000	...	480,000
210,000	216,840	250,000	250,000	250,000	250,000	2,191,816	814,493	1,377,323
2,000	...	...	...	...	...	18,262	..	18,262
1,336,747	1,395,000	1,211,529	1,175,573	1,111,982	942,596	13,629,058	814,493	12,814,565

of State, and the amount set down as probable cost are liable to alteration.
tioned by Secretary of State.

IRRIGATION

No.

Statement of actual and proposed outlay to end of

Item No.	Project.	Probable cost.	Actual outlay. To end of 1871-72.	During 1872-73.	During 1873-74.	Total to end of 1873-74.
		£	£	£	£	£
	Brought forward ...	...	4,133,573	1,055,733	1,266,325	6,455,631
	(II.)					
	WORKS UNDER CONSIDERATION, AND FOR WHICH ESTIMATES HAVE BEEN PREPARED, BUT WHICH HAVE NOT YET BEEN SANCTIONED.					
20	Extension of works in Central Delta of Godavery	100,000				
21	Kistna Delta—New works in— ...	130,000				
22	Canals in Bundelkhund—Betwa Project...	302,000				
23	Swat River Canal	167,000				
		699,000	54,977	15,747	2,718	73,442
	(III.)					
	WORKS PROPOSED AND UNDER SURVEY.					
24	Further works in extension of canals in Sindh	...				
25	Canals in Tirhoot	...				
26	Derajat Canals	...				
	Total... ...	...	4,188,550	1,071,480	1,269,043	6,529,073
	Less met from contributions (*a*)...	...	4,917	200,630	49,946	254,493
		...	4,183,633	870,850	1,220,097	6,274,580
	Outlay provisionally classed as Extraordinary on certain works, the expenditure on which has been refunded, or will be refunded, from Ordinary grant	...	214,129	—99,981	—21,415	92,783
	Grand Total ...	...	4,397,762	770,919	1,198,682	6,367,863

NOTE.—In the case of Madras and Bombay specially, and in other Provinces general been deducted from the probable cost of the projects, and the balance shown as amount for simple interest while work is under construction, or leave and pension allowances, England. The amounts of these several charges are omitted, because they are defrayed

(*a*).—Represents outlay from contributions given for the construction of the Sirhind His Highness the Raja of Nabha.

WORKS.

I.

1879-80 *on Irrigation Works in India.*—(Concluded.)

Probable outlay.						Total outlay to end of 1879-80.	Deduct, met from contributions.	Balance outlay to end of 1879-80.
1874-75. (Regular Estimate)	1875-76. (Budget Estimate)	1876-77.	1877-78.	1878-79.	1879-80.			
£	£	£	£	£	£	£	£	£
1336,747	1,395,000	1,211,529	1,175,573	1,111,982	942,596	13,629,058	814,493	12,814,565
11,253	...	202,471	238,427	302,018	471,404	1,299,015	...	1,299,015
1,348,000	1,395,000	1,414,000	1,414,000	1,414,000	1,414,000	14,928,073	814,493	14,113,580
80,000	80,000	100,000	100,000	100,000	100,000	814,493	..	..
1,268,000	1,315,000	1,314,000	1,314,000	1,314,000	1,314,000	14,113,580	...	..
—10,000	—15,000	—14,000	—14,000	—14,000	—14,000	11,783	...	..
1,258,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	14,125,363	...	...

ly, the outlay incurred from the Ordinary grant on the works enumerated above has chargeable as Extraordinary. The probabl cost shown above does not include charges or capitalization of abatement of land revenue, or charge by exchange on payments in from Ordinary Funds.

Canal by His Highness the Maharaja of Puttiala, His Highness the Raja of Jheend, and

IRRIGATION

No.

Detailed Statement of the actual and estimated net direct revenue of Irrigation

This Table excludes the receipts due to Irrigation Works included

[The revenue in Madras and Bombay including Sindh is excluded for

Works.	Net actual direct		
	1869-70.	1870-71.	1871-72.
Net Direct Revenue.	£	£	£
Bengal.			
Orissa Scheme—			
Midnapoor Canal	613	—5,975	—2,876
Tidal Canal	129	—167	—1,444
Orissa Project	121	—587	—18,199
Soane Scheme	...	...	..
Total...	863	—6,729	—22,519
North-Western Provinces.			
Ganges Canal	164,577	90,943	91,540
Eastern Jumna Canal	49,221	42,008	31,146
Doon Canals	1,973	1,404	2,086
Rohilkhund Canals	400	—2,146	—848
Bundlekhund Works	—731	—389	—305
Agra Canal	...	...	...
Lower Ganges Canal	...	...	...
Total...	215,440	131,820	123,619
Punjab.			
Western Jumna Canal	74,405	116,884	71,651
Goorgaon Irrigation Works	—1,041	—1,304	—618
Baree Doab Canal	40,413	21,705	36,700
Lower Sutlej Canal	—3,392	—3,406	—3,792
Upper ,, ,, ...	—2,671	—3,393	—10,229
Indus Inundation Canals...	—8,847	—11,656	—3,494
Shahpoor Canal	...	—22	146
Sirhind ,, ...	...	...	...
Total...	93,897	118,808	90,364
Grand Total...	315,200	243,899	191,464

NOTE.—This Statement shows only the net direct receipts derived, and likely water-rates as included in the Public Works Accounts, and miscellaneous receipts, the land revenue due to Irrigation Works, and included in the Civil Accounts

WORKS.

II.

Works in Bengal and Northern India for the 11 *years ending in* 1879-80.

in the Civil Accounts as a portion of the Land Revenue.

want of a reliable separation of Land Revenue from Water Rates.]

RE[illegible]		NET ESTIMATED DIRECT RECEIPTS.					
1872-73	1873-74.	1874-75. Regular Estimate.	1875-76. Budget Estimate.	1876-77.	1877-78	1878-79.	1879 80.
£	£	£	£	£	£	£	£
—3,573	—5,792	—1,441	—2,959	—1,300	200	2,200	3,000
583	...	3,113	3,747	4,000	4,000	4,000	5,000
—20,138	—8,536	—14,121	—15,852	—22,000	—22,000	—21,000	—18,000
...	...	...	—3,948	—8,000	—10,000	—6,000	...
—23,128	—14,328	—12,449	—19,012	—27,300	—27 800	—20,800	—10,000
60,122	94,631	109,430	166,658	115,000	115,000	115,000	125,000
34,335	35,355	37,690	38,105	33,800	33,900	34,300	34,300
2,286	2,494	2,395	1,775	2,550	2,850	2,950	2,950
—2,694	—2,737	—3,487	791	450	11,150	11,350	11,550
—328	—478	—458	—1,268	—600	—600	—600	—600
...	...	—3,700	—260	—10,200	—6,300	—3,000	...
...	...	...	...	...	...	...	...
93,721	129,265	141,870	145,801	141,000	156,000	160,000	173,200
62,182	63,032	65,720	61,299	70,000	70,000	70,000	70,000
—658	—865	—1,366	—1,058	—500	—500	—500	—500
49 431	32,248	34,310	39,211	36,000	38,000	42,000	46,000
—3 424	—4,252	—5,214	—4 987	—4,500	—4,500	—4,500	—4,500
—9,162	—4,315	—3,532	—175	700	700	700	700
—20,623	—8,313	—13,880	—15,384	—11,200	—11,200	—11,200	—11,200
275	129	250	312	500	500	500	500
...	...	...	...	...	...	...	...
78,021	77,664	76,288	79,218	91,000	93,000	97,000	101,000
145,614	192,601	205,709	206,007	204,700	221,200	236,200	264,200

to be derived, from the several works for the period stated. Such receipts are of such as tolls, rents, fines, &c., as included in the same accounts. The portion of as Land Revenue, is added to get the total income as shown in Return No. III.

IRRIGATION

No.

Detailed Statement of the actual and estimated net total income derived from in 1879-80, including the enhancement

[The revenue in Madras and Bombay including

Works.	Actual net direct and indirect			
	1869-70.	1870-71.	1871-72.	1872-73.
Net direct and indirect revenue.	£	£	£	£
Bengal.				
Orissa Scheme—				
Midnapoor Canal	613	—5,975	—2,876	—3,573
Tidal Canal	129	—167	—1,444	583
Orissa Works	121	—587	—18,199	—20,138
Soane Scheme	...	...	...	...
Total ...	863	—6,729	—22,519	—23,128
North-Western Provinces.				
Ganges Canal	182,925	111,241	114,474	87,790
Eastern Jumna Canal	66,990	59,777	48,915	46,642
Doon Canals	2,448	1,879	2,561	2,761
Rohilkhund Canals	400	—2,146	503	567
Bundelkhund Works	—481	—134	—50	—73
Agra Canal	...	...	...	...
Lower Ganges Canal	...	...	...	...
Total ...	252,282	170,617	166,403	137,687
Punjab.				
Western Jumna Canal	111,661	154,140	108,907	99,438
Goorgaon Irrigation Works ...	1,412	1,149	1,835	1,795
Baree Doab Canal	60,946	47,848	61,741	67,749
Lower Sutlej Canals	17,938	17,924	17,538	17,906
Upper „ „	120	—602	—7,438	—6,371
Indus Inundation Canals	—753	—3,562	4,600	—12,529
Shahpoor Canal...	...	—22	146	275
Sirhind „	...	...	...	...
Total...	191,324	216,875	187,329	168,263
Grand Total...	444,469	380,763	331,213	282,822

WORKS.

III.

Irrigation Works in Bengal and Northern India for the 11 *years ending of land revenue due to the Works.*

Sindh is excluded, see previous page.]

RECEIPTS.	ESTIMATED NET DIRECT AND INDIRECT RECEIPTS.						
1873-74.	1874-75.	1875-76.	1876-77.	1877-78.	1878 79.	1879-80.
£	£	£	£	£	£	£
—5,792	—1,441	—2,959	—1,300	200	2,200	3,000
...	3,113	3,747	4,000	4,000	4,000	5,000
—8,536	—14,121	—15,852	—22,000	—22,000	—21,000	—18,000
...	..	—3,948	—8,000	—10,000	—6,000	...
—14,328	—12,449	—19,012	—27,300	—27,800	—20,800	—10,000
129,058	147,600	144,828	185,000	185,000	190,000	198,080
52,343	54,679	55,094	51,800	51,900	52,300	52,300
2,969	2,870	2,250	4,250	4,550	4,650	4,650
523	—225	4,053	3,650	17,150	17,350	17,550
—223	—204	—1,014	—400	—400	—400	...
...	—3,700	—260	—8,700	—3,400	—1,000	...
...	...	...	...	...	...	...
184,670	201,020	204,951	235,600	254,800	262,900	272,500
100,288	102,976	97,497	107,200	107,200	107,200	107,200
1,588	1,087		1,900	1,900	1,900	1,900
51,093	54,310	59,211	61,000	63,000	67,000	71,000
17,478	16,116	16,343	16,800	16,800	16,800	16,800
2,039	2,827	6,180	13,400	13,400	13,400	13,400
8,659	2,904	1,588	5,800	5,800	5,800	5,800
129	250	312	500	500	500	500
...	...	...	...	...	..	...
180,874	180,470	181,131	206,600	208,600	212,600	216,600
351,216	369,041	367,070	414,900	435,600	454,700	479,100

IRRIGATION WORKS.

No. IV.

Actual and Approximate Statement of the total net charge to end of 1879-80 *on the Revenues of India on account of Irrigation Works.*

	Actuals.			Estimate.					
	1871-72.	1872-73.	1873-74.	1874-75.	1875-76.	1876-77.	1877-78.	1878-79.	1879-80.
Capital outlay.	£	£	£	£	£	£	£	£	£
Capital outlay in all provinces—									
During year ...	*4,397,762	770,919	1,198,682	1,258,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
To end of year...	...	5,168,681	6,367,363	7,625,363	8,925,363	10,225,363	11,525,363	12,825,363	14,125,363
Interest Charges and net Revenue.									
Interest Charges at 4½ per cent.	197,898	232,590	286,530	343,141	401,641	460,141	518,641	577,141	635,641
Net Revenue—									
Deduct *net* total earnings in Bengal, the North-Western Provinces, and the Punjab (excluding Madras, Bombay, and Ajmere) *vide* Statement No. III.	331,213	282,822	351,216	369,041	367,070	414,900	435,600	454, 00	479,100
Balance net revenue or loss	133,315	50,232	64,686	25,900	—34,571	—45,241	—83,041	—122,441	—156,541

* To end of 1871-72.

C. H. DICKENS, Colonel, R.A.,
Secretary to the Govt. of India.

No. 157 OF 1875.

BOMBAY, *27th July*, 1875.

The SECRETARY to GOVERNMENT, Public Works Department.

SIR,—The Committee of the Chamber of Commerce desire me respectfully to draw the attention of His Excellency the Governor in Council to the Forecast of expenditure from extraordinary Funds on Railways, &c., published by the Government of India, in the *Gazette of India*, dated Simla, June 12, 1875.

The Committee observe with equal surprise and regret that, although this Forecast extends to the Financial year 1879-80, no mention is made—in the progress intended to be effected, either in the Guaranteed, or in the State, Railways—of the Western Rajpootana Railway from Ahmedabad to Ajmere, which, with the exception perhaps of the Punjaub Northern, and the Indus Valley, is, they respectfully submit, of infinitely greater importance in the general interests of the country than any of the lines mentioned, and to which the Government of India apparently intends to concede priority of construction.

The tenour of the Resolution of the Government of India Nos. 1641—49, S-R, dated Simla, 6th November 1873 (forwarded to Chamber with Government Resolution, Railway Department, No 1471 of 24th November 1873), led the public of this Presidency to believe that the construction of the Western Rajpootana Railway would be sanctioned, without loss of time, when the results of the surveys and the estimates were received; and this belief was strengthened by the letter of the Government of India, No. 1975 R, dated 9th August last, forwarded with Government Resolution No. 1209 of 1874, and by the letter of the Government of India, dated 13th November last, forwarded with Government Resolution No. 1565 of 1874, in the latter of which it was stated that the Memorial of the Chamber would receive full consideration on receipt of the plans and estimates which were then daily expected. The Chamber understands that these plans and estimates have for some time been with the Government of India.

The mercantile interests of this Presidency, and the public generally, will feel extreme disappointment if there is any intention on the part of the Government of India to post-

pone the construction of this important line; and the Committee of the Chamber, therefore, desire me respectfully to request that His Excellency in Council will be pleased to ask the Government of India to favour them with an explanation of the omission of this Railway in the Forecast of expenditure, and with information as to the probable date on which its construction will be sanctioned.—I have, &c.,

J. GORDON, Secretary.

No. 910 OF 1875.—RAILWAY DEPARTMENT.

BOMBAY CASTLE, 12*th August*, 1875.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—I am directed to acknowledge the receipt of your letter dated 27th ultimo, and to state that His Excellency the Governor in Council agrees with the Chamber in their estimate of the value of the Western Rajpootana Railway in the general interests of the country. A copy of your letter has accordingly been forwarded to the Government of India with a request that they will furnish the information necessary to enable His Excellency to reply to the questions put by the Chamber.—I have, &c.,

H. F. HANCOCK, Lieut.-Col., R.E.,
Under-Secretary to Government.

No. 1201 OF 1875.

Extract from the Proceedings of Government, in the Railway Department, dated 20th October, 1875.

Read the following letter from the Deputy Secretary to the Government of India, No. 2458 R, dated 2nd October 1875:—

"I am directed to acknowledge the receipt of your letters Nos. 887 and 1029, dated the 7th August and 13th September 1875, respectively, forwarding copy of letters from the Chamber of Commerce and Trades' Association of Bombay, and in reply to say that the project for the Western Rajpootana State Railway is still under consideration. The Government of India is favourable to the construction of this line, and will submit it with other projects recommended for the approval of the Secretary of State for India.

"2. Consequently, it will not be necessary for the Government

of Bombay or the Chamber of Commerce to make any further representation on the subject."

RESOLUTION.—Copy of this letter should be sent to the Chamber of Commerce, and should also, with the previous correspondence on this subject, be laid on the Editors' Table.

H. F. HANCOCK, Lieut.-Col., R.E.,
Under-Secretary to Government.

Extracts from the Address of the Bombay Chamber of Commerce to His Excellency the Viceroy, presented, at Bombay, on the 6th November 1875, *and from His Excellency's Reply.*

When your Lordship visited Bombay in November 1872, you did the Chamber of Commerce the honour to receive from it an Address in which were placed before your Lordship the views of the Chamber on certain questions of great importance to the commercial interests of this Presidency. Happily, the questions affecting the constitution of a Port Trust, and the construction of the Elphinstone Dock, have now been finally settled, and your Lordship was pleased to remove the export duty on wheat which has had the desired effect of inducing a large export trade in that article.

But the question which exceeded all others in importance not only to the mercantile interests of this Presidency, but to the general interests of the Empire—the extension of the line of Railway from Ahmedabad to Ajmere, by which the railway system connecting this Presidency with Northern India, would be completed, and a valuable country opened out,—is still, as it has been for the last ten years, apparently in the region of doubt and discussion. In replying to the Chamber's Address in 1872, your Lordship was good enough to say that the Government of India was fully aware of the political and commercial importance of opening communication by railway between Upper India and the Bombay and Baroda Railway; and that it had lately ordered a survey to be made of the proposed line between Ajmere and Ahmedabad. With this expression of the views of the Government of India, and the favourable results of the survey which was instituted, we were hopeful that the construction of the line would have been begun without loss of time; but we now

receive with extreme regret, a communication from the Government of India, dated so recently as the 2nd October last, giving no more definite a reply than that the project is still under consideration, that the Government of India is favourable to the construction of this line, and will submit it, with other projects recommended, for the approval of the Secretary of State for India.

We desire to refrain on the present occasion from wearying your Lordship with the reasons in detail, which have been so frequently reiterated, for the immediate commencement of this important line; but we beg most respectfully once more to point out that the delay amounts to a complete exclusion of the trade of Upper India from the chief Western Port, by the shortest and therefore the natural route, and that thereby a grievous injustice is being at the same time inflicted on the mercantile interests of this Presidency by the construction of the State Railways from Agra and Delhi to Jeypore and Ajmere, which are penetrating the northern districts of Rajpootana and are connected with the railway system extending to Calcutta. The large trade, which in former years existed between Bombay and those districts and Upper India, is consequently passing entirely, by circuitous and costly routes, to the other side of India, there being no railway communication on this side.

We desire, with great deference, to submit, for your Lordship's consideration, the great importance of this line, not only to the districts through which it will pass, but to the general interests of the country, compared with nearly all those lines to which the Government of India, in the Forecast of Expenditure on Railways in the next five years, has apparently decided to accord priority of construction. All those projects would doubtless confer great benefits on their respective localities, but we would most respectfully request your Lordship's attention to para. 14 of Lord Dalhousie's celebrated Minute, dated 20th April 1853, in which his Lordship remarked that it was of essential importance that whatever capital might be made available for the construction of railways in India might not be frittered away on local and inconsiderable schemes, but might as far as possible be made to conduce to the establishment of those great lines by which the general interests of India would best be served. The system of railway communication for India,

projected by Lord Dalhousie, has, with the single exception of the Line from Ahmedabad to Ajmere, been completed. Until this line is made, the Bombay and Baroda Railway, which, as the great arterial line of communication between Bombay and Northern India by the shortest route, was projected to extend to Delhi, remains an incomplete and a local work; and the traffic of that populous and important portion of the Empire is shut out from the chief Port of Western India. Lord Dalhousie considered that a line from Bombay by Baroda to Agra or Delhi would, among other reasons, be calculated to "afford the greatest amount of "general advantage." This opinion appears still to be entertained by the Government of India, as expressed by your Lordship in 1872, and we, therefore, and for the reasons above adverted to, humbly pray that your Lordship will be graciously pleased to sanction the immediate construction of the line from Ahmedabad to Ajmere.

His Excellency the VICEROY said—Gentlemen,—It always gives me great pleasure to receive a deputation from the Bombay Chamber of Commerce and to listen with attention to any representations which it may have to make to me, on behalf of the Chamber, with regard to the commercial interests affecting this side of India. I am glad that the Bombay Port Trust is, so far as I am able to judge, working satisfactorily, and that H. R. H. the Prince of Wales proposes to lay the first stone of the Elphinstone Dock during his forthcoming visit. In respect of the railway from Ahmedabad to Ajmere, the Chamber of Commerce is quite right as regards what I said upon the subject in 1872. I cannot, however, give any more definite reply upon this matter than has already been communicated to the Chamber of commerce by the Government of India. The Chamber must be aware of the principle that at present regulates the expenditure upon what are termed extraordinary works. We find that we can afford to spend a sum of about two millions a year for interest upon the money laid out upon rail roads and irrigation works, whether constructed, by guaranteed companies or directly by the State. That is to say, taking the interest upon the funds raised by the guaranteed railway companies, and the interest upon the money which the Government have borrowed for railway and irrigation works, and deducting from the two the net

receipts from the works, a sum of about two millions a year remains as a charge upon the revenues of India. The policy we are now carrying out is to limit the annual expenditure to that sum, and if we were to spend more the revenues of India would not be sufficient to pay the excess, and we should have to impose fresh taxation upon the country. That we consider to be inadvisable, and therefore two millions per annum is the limit of charges which we can afford to incur. That is the principle upon which our Forecast has been prepared. This Forecast is made up for five years, but if any one will take the trouble to look into it, he will find that for the first year—take the current year as an example—the whole of the money is appropriated. Next year, as may be observed, there is a non-appropriated margin which would enable certain other railroads to be commenced in 1876-77. Among these railroads which are under consideration for commencement in 1876-77 is the railway between Ahmedabad and Ajmere. The Chamber is aware that in regard to the commencement of works of such importance as that railway the decision is arrived at by the Secretary of State for India in Council, and that the function of the Government of India is simply to recommend those lines which they consider ought to be carried out next. We shall make that recommendation in the course of the winter. As I said before, there is no doubt about the importance of the line from Ahmedabad to Ajmere, and there is no doubt it stands among those which are first to be constructed. The only point of doubt about this line is whether it will pay, with regard to which, I am sorry to say, I have not yet seen any satisfactory figures. We are now collecting further information upon the subject, and this we shall have to lay before the Secretary of State in Council along with the other considerations affecting the line. The principle laid down at home with respect to expenditure upon railways is that, unless a railroad will pay interest on the money expended upon its construction, it will not be included amongst the extraordinary works; and therefore much depends upon the receipts likely to arise from this Ahmedabad and Ajmere line. There is this fact, however, in favour of the line, that the State Railway in Rajpootana has been paying very well this year —indeed, it is paying better than we expected. This is in favour of the prospects of the Ahmedabad and Ajmere line.

The Chamber will see that under these circumstances it is impossible for me to give immediate orders for the construction of the line. All I can do is to assure the Chamber, as I did before, that we do not depreciate the value of the line, because, as the Chamber has observed, it would bring the produce of at all events a part of Northern India and the Punjab to Bombay instead of Calcutta. The Chamber seems to consider that the Agra and Ajmere line at present does more harm than good to Bombay. So it may, for the moment; but it is clear that, unless that line had been constructed, the probability of the route between Bombay and Agra being opened would have been very remote. I therefore do not look upon the Agra and Ajmere line as detrimental to Bombay; on the contrary, I think it will ultimately conduce to the interests of the port of Bombay.

APPENDIX H:

—:o:—

POSTAGE RATES CHARGEABLE IN INDIA ON CORRESPONDENCE CONVEYED VIA BOMBAY AND BRINDISI, BETWEEN INDIA AND GERMANY, AND THE SEVERAL EUROPEAN COUNTRIES SERVED THROUGH GERMANY.

No. 5546.

GOVERNMENT OF INDIA,

FINANCIAL DEPARTMENT.

Separate Revenue,

Post Office.

NOTIFICATION.

Dated the 11th September, 1874.

Arrangements having been made for a direct exchange of Mails, via Bombay and Brindisi, between India and Germany, commencing on the Indian side with the first Mail leaving Bombay in the month of October next, the Governor General in Council is pleased, under the provisions of Sections 19, 21, and 22 of the Post Office Act of 1866, to fix the following rates of postage chargeable in India on correspondence conveyed by this route between India and Germany and the several European countries served through Germany :—

Countries to which correspondence may be sent.	Letters, prepayment optional.	Packets of Newspapers, Books and Patterns, prepayment compulsory.		Below are given for each country the limits of weight for packets of Newspapers and Books (B), and Patterns (P), the figures quoted after the letter B being those adopted in the Foreign Post Schedule of the Postal Guide for showing the special conditions (pages 56 and 57 of Postal Guide) applicable to packets of Newspapers and Books in each case.
	For each ½ oz. or fraction thereof.	Not exceeding 2 ozs. in weight.	Not exceeding 4 ozs. in weight, A like rate extra for every additional 4 ozs. or fraction thereof.	
	A. P.	A. P.	A. P.	
Germany, including all the German States mentioned in the Postal Guide	5 6	1 6	3 0	B 1 (5 lbs.) P (8 ozs.)
Luxemburg				
Heligoland				
Belgium	6 6	2 0	4 0	B 1 (5 lbs.) P (8 ozs.)
Holland				
Sweden				
Denmark	6 6	2 0	4 0	B 2, 3, 4, 6, (3 lbs.) P (8 ozs.)
Norway	6 6	2 0	4 0	B 3, 4, (3 lbs.) P (8 ozs.)
Russia	6 6	2 0	4 0	B 2, 4, (8 ozs.) P (8 ozs.)

Any letter as well as any packet of newspapers, books, or paterns, may be registered on payment, by means of stamps, of a registration fee of 4 annas in addition to the postage.

Attention is drawn to Clause (7) of the remarks preceding the Foreign Post Schedule of the Postal Guide, respecting the limit of weight (8½ ozs.) for letters to Germany, which contain any other enclosure than paper. This limit applies not merely to letters for Germany, but to letters sent through Germany to other countries under the present arrangement. Attention is also drawn, as respects Belgium, to Clause (8) of the same remarks respecting the prohibition against the transmission of valuables to that country; and, as respects Russia, to Clause (9 of the same remarks respecting restrictions on the transmission of newspapers to that country.

Paid letters received by this route will be delivered in India without charge; unpaid letters will be charged at the rate of 7 annas 6 pies per ½ oz., if from Germany, Luxemburg, or Heligoland; and at the rate of 9 annas 6 pies per ½ oz., if from Belgium, Holland, Sweden, Denmark, Norway, or Russia. Insufficiently paid letters received will be charged at the same rate as unpaid letters, less the value of the stamps affixed. In computing the supplementary postage, fractions of 6 pies will be treated as 6 pies. Only fully paid packets of newspapers, books, and patterns will be received, and these will be delivered without charge.

All covers posted in India for any of the abovementioned countries, not being specially marked by the senders, or obviously intended for transmission by some other route, will be forwarded by this route.

E. F. HARRISON,
Offg. Secy. to the Govt. of India.

No. 238 OF 1874.

BOMBAY CHAMBER OF COMMERCE, *28th September*, 1874.

F. R. HOGG, Esq., Officiating Director General of the Post Offices of India.

SIR,—With reference to the Notification No. 5546, dated 11th September 1874, notifying that arrangements have been made for a direct exchange of Mails, via Bombay and Brindisi, between India and Germany, the Committee of the Chamber observe that the postage for letters up to ½ oz. is 5 annas 6 pies to the German States, and to Luxemburg and Heligoland, and 6 annas 6 pies to Belgium, Holland, Sweden, Denmark, Norway, and Russia, while the postage on similar letters to the United Kingdom, which is less distant than the four countries last-named remains at 8 annas. They will be much obliged to you if you will be so good as to inform the Chamber how these postage rates are, in the cases abovementioned, made up and distributed, showing separately the proportion paid to the P. and O. Company for sea carriage and to the countries through which the letters pass.

At the interview with which you kindly favoured the Chairman

of the Chamber and myself on the 30th July, you mentioned that the Overland Mail Service was conducted at a loss to the Indian Government. The Committee would be glad of any information you could, without inconvenience, furnish the Chamber with on this point showing the amount of the annual deficiency since the present postage rates were charged on letters to the United Kingdom.—I have, &c.,

J. GORDON, Secretary.

No. $\frac{M}{3}$

C. MURREE, *9th October*, 1874.

From F. R. HOGG, Esq., Officiating Director General of the Post Offices of India, to the SECRETARY, CHAMBER of COMMERCE, Bombay.

SIR,—In accordance with the request contained in your letter of the 28th September, I have the honour to give below the details asked for in connection with the postage rate for paid letters, via Brindisi, for Germany and countries served through Germany, under the recent arrangement made between the Post Office of India and the Post Office of the German Empire:—

—	German Inland Postage	Combined Inland Postage of Germany and Countries served though it.	Indian Inland Postage	British Packet Postage	Territorial transit through Italy.	TOTAL
	Pence.	Pence.	Pence.	Pence.	Pence.	Pence
To or from Germany including Luxemburg & Heligoland } Paid letters per 30 grammes net	4	...	4	12·6	3	23·6
To or from countries served through Germany ..... } Paid letters per 30 grammes net	...	8	4	12·6	3	27·6

The first total (23·6d.) is at 22d. per rupee equal to 17·1636 annas, which divided by 3·1185 (being the number of half ounce rates found by observation to be contained in 30 grammes net weight) gives 5·503 or 5 annas 6 pies as the rate per half ounce leviable in India on paid letters for Germany.

The next total (27·6d.) calculated as above gives 6·436 or 6 annas 6 pies as the rate per half ounce leviable in India on paid letters for countries served through Germany.

As requested, I also give the distribution of the postage (8 annas)

on a half ounce paid letter sent from India to the United Kingdom :—

	Pence.
British Packet rate	7
Indian Inland rate	1
British Inland rate	1
Rate levied to cover territorial transit through Italy and France	3
	12

On my return to Calcutta I will endeavour to reply to the enquiry made in your second para. as respects the amount of the loss to the Government of India, at which the Overland Mail Service is conducted.—I have, &c.,

F. R. HOGG,
Offg. Director Genl. of the Post Offices of India.

No. 276 of 1874.

BOMBAY CHAMBER OF COMMERCE, *27th October*, 1874.

F. R. HOGG, Esq., Officiating Director General of the Post Offices of India.

SIR,—I have the honour, by direction of the Committee of the Chamber, to acknowledge the receipt of your letter No. M—3, dated 9th instant, and to convey to you their thanks for the information with which you have supplied them.

They desire me however to point out that the postage rate from India to the United Kingdom is high when compared with the rates to Germany, and countries served through Germany, and that the excessive charge appears to be principally in the item *British Packet Postage*. As the services rendered by the Post Office on all letters to any European country, carried from India to Brindisi by Packet, are identical, the Committee are at a loss to understand why the Packet rate on a half ounce paid letter from India to the United Kingdom should be fixed at the high rate of 7d. whilst the Packet rate on a letter from India to Germany is slightly over 4d. only.

The Committee, I am desired to say, will await with much interest the information which you are so good as to say that you will endeavour to send to them in regard to the loss to the Government of India, at which the Overland Mail Service is conducted. —I have, &c.,

J. GORDON, Secretary.

No. 4773.

From F. R. Hogg, Esq., Officiating Director General of the Post Offices of India, to the Secretary to the Chamber of Commerce, Bombay.

Calcutta, *7th November*, 1874.

Sir,—I have the honour to acknowledge the receipt of your letter dated 27th October, in which you contrast the British packet postage rate (7d. per ½ oz.), on letters sent from India to the United Kingdom, with that charged (about 4d. per ½ oz.) by the new route, via Brindisi to Germany, and express surprise at the difference.

2. In reply, I would explain that in former years, the lesser rate (4d. per ½ oz.) governed both the correspondence with the United Kingdom and that transmitted to the Continent of Europe by the route through France. But in 1868 a weekly mail between India and Great Britain was, as you are aware, substituted for the previously existing semi-monthly communication, at an enhanced cost in the shape of subsidy, to meet this extra payment the British packet rate on letters between this country and the United Kingdom was, notwithstanding the remonstrance of this office endorsed by the Government of India, raised to 7d. per ½ oz., an increase of 75 per cent.

3. No demand was made by the British Post Office for any corresponding increase in the sea postage levied on letters for the Continent of Europe, by the route via France; and no enhancement of postage on that correspondence was therefore made. This was doubtless due to the existence of a convention between the British and French Post Offices, executed in year 1856, by which the postage charge was regulated.

4. When the route for the transmission of correspondence to the Continent of Europe through Italy was organized in 1870, the British packet rate on letters was, at the instance of this office, assimilated to that of the route through France; and this same British packet rate (4d. per ½ oz) was again extended to the new route, via Brindisi, for Germany and countries served through Germany.

5. It will thus be seen than the new arrangement with Germany has not been coupled with any reduction in the rate for sea postage, but has resulted in its assimilation to that which has, for many years, regulated this charge on other lines of communication with the Continent of Europe.

6. I find difficulty in furnishing the information asked for in the second paragraph of your letter of the 28th September, as respects the annual loss to India at which the Overland Mail Service has been conducted since the introduction, in March 1868, of the present postage rates on correspondence with the United Kingdom. From the Finance and Revenue accounts of the Government of India, published by order of the House of Commons, the actual payments on account of this deficiency for the five years ending 1872-73, have averaged £72,518: these accounts, however, show payments

actually made, and include, I think, some arrear items properly debitable to former years. An independent calculation made in my own office for two years would reduce the yearly loss to about £65,000. There can be no question, however, as to the accuracy of the statement made by me at my interview with the Chairman of your Chamber on the 30th July last, that the service in question is carried on at a large pecuniary sacrifice both on the part of the British and Indian Governments.—I have, &c.,

F. R. HOGG,
Offg. Director Genl. of the Post Offices of India.

APPENDIX I.

———:o:———

POSTAGE RATES BETWEEN INDIA AND ITALY, AND COUNTRIES SERVED THROUGH ITALY.

FINANCIAL DEPARTMENT.

NOTIFICATION.

Separate Revenue,

Post Office.

No. 2412.

SIMLA, *30th July*, 1875.

Consequent upon certain alterations in the postage rates between India and Italy and countries served through Italy, resulting from the arrangements of the General Postal Union Treaty recently concluded in Europe, the Governor General in Council is pleased, under the provisions of sections 20 and 21 of the Indian Post Office Act of 1866, to declare the following rates and conditions of postage to be applicable to correspondence for the countries and by the routes mentioned, with effect from the 1st September next:—

Correspondence sent "via Brindisi through Italy" for the following countries.	Letters for each ½ oz. or fraction thereof.	Packets of Newspapers, Books, and Patterns.	
		Not exceeding 2 ozs.	Not exceeding 4 ozs. A like rate extra for every additional 4 ozs.
	Annas.	Annas.	Annas.
Italy	5½	1	2
Austria (including Hungary) *Denmark*, Faroe Islands, *Germany*, *Heligolnd*, *Luxemburgh*, *Netherlands*, *Norway*, Roumania, *Russia*, Servia, *Sweden*, and Switzerland	6½	1½	3
Belgium	7	2½	4½

N. B.—The route *through Germany* continues to be the best for the places printed in italics. But the Italian route is the best for the places not printed in italics.

2. Any letter, as well as any packet of newspapers, may be registered on payment by means of stamps of a registration fee of four annas in addition to the postage.

3. Letters and other articles received as paid by this route will be delivered in India without charge. Insufficiently paid letters will be treated as if wholly unpaid. Unpaid letters will be charged on delivery at the following rates:—

From	Per ½ oz. Annas.
Italy	7½
Austria (including Hungary), Denmark, Faroe Islands, Germany, Heligoland, Luxemburg, Netherlands, Norway, Roumania, Russia, Servia, Sweden, and Switzerland ...	9½
Belgium	10

R. B. CHAPMAN,
Secretary to the Govt. of India.

APPENDIX J.

———:o:———

TOWN DUTIES ON GRAIN AND TOBACCO.

No. 307 of 1874.

R. B. Chapman, Esq., Secretary to the Government of India.

Sir,—The Committee of the Chamber of Commerce have had under consideration the operation of the Municipal Duties levied in Bombay on Grain of all sorts, and on Tobacco; and by their direction I have now the honour to address you on the subject in the hope that His Excellency the Viceroy in Council may be pleased, for the reasons hereinafter set forth, to take measures to repeal the duty on Grain, and to so modify the Rules affecting the remission of the local duty on the re-exportation of Tobacco as to remove the difficulties and restrictions now interposed in the granting of such remissions.

By Section 114 of the Bombay Municipal Bill No. III. of 1872, the maximum rate of duty leviable on grain of all sorts is As. 4 per candy, and the duty is now fixed at this rate by the Municipal Corporation. And Clause 120 of the same Bill provides that when any of the articles, upon which Town Duties shall have been paid, shall be exported, the full amount of Town Duties shall, under the Rules therein laid down, be re-paid or re-funded,—a provision intended by the Legislature to restrict the imposition of the duty exclusively to grain consumed in the Town.

The Committee have no intention, on the present occasion, of raising a discussion on the question of the imposition of Town Duties, but they desire here respectfully to observe that the principle of taxing in any form a primary necessary of life, and of imposing a burden which must therefore fall with unequal severity upon the poorer classes, is wrong, and that it is especially so in so poor a country as India. On the standard argument of the advocates of taxes of this de-

scription, that, being light in their incidence, they are not appreciably felt by the consumer, they do not now wish to touch beyond merely remarking that what is fundamentally wrong in principle cannot be justly defended or maintained in practice, and that the classes by whom this particular duty is principally contributed are the least able to make their grievances known, and are therefore the classes most entitled to the vigilant protection of the Government.

It is chiefly on the ground that grain has now become an important article in the general commerce of the country that the Committee venture to press upon His Excellency in Council the advisability of measures being adopted for the abolition of the duty. With that fact in view, and with the object of relieving the growing export trade in wheat, His Excellency the Governor-General in Council was pleased, on the 4th January 1873, on the representation of this Chamber, to exempt that article, on exportation from British India, from the Customs Duty to which it was liable. Notwithstanding the disadvantages under which this country labours, in respect of distance, in competing, in the English market, with other countries, a considerable export trade in wheat has, since the opening of the Suez Canal, and aided by the enlightened action of the Government of India, been established, though it bears no proportion to the wheat-production of India, or to the increased exportation which the repeal of the duty might, in ordinary circumstances, induce. The Traffic Manager of the Bombay Port Trust Bunders—the officer appointed by Section 116 of the Municipal Act to levy the Town Duties—estimates the quantity of Grain that will come into Bombay, in the year 1875, at 342,998 candies; and it is reasonable to suppose that, if the duty of As. 4 per candy, which—at the present average price of wheat of fair quality—is equivalent to 1¼ to 1½ per cent. on the price, were abolished, a great increase in the exportation would take place, for the removal of a tax of 1¼ to 1½ per cent. on the value of the commodity would, in the active competition of the day, materially influence the operations of merchants.

The duty of As. 4 per candy, which was originally intended to be levied exclusively or grain consumed in the Town, has, now that the export of wheat is assuming considerable proportions, become practically a transit duty, for the dif-

ficuly of fulfilling the conditions under which refunds are obtained prevents exporters, to a great extent, from availing themselves of them. The Committee would here respectfully remind His Excellency in Council of the Resolution of the Government of India on Municipal Taxation, which appeared in the *Gazette of India*, dated 14th November 1868, Para. 4 of which applies with peculiar force on the present occasion. In that para. the Governor-General in Council remarked :—" It is to little purpose that the Imperial Go-" vernment reduces or abolishes Customs Duties in the in-" terests of trade if Municipalities are permitted to levy " duties on articles of commerce passing through their " limits." The Government of India, only twenty-two months ago, considered it advisable, for the free development of an important export trade, to abolish the Customs Duty on wheat, at a sacrifice of Rs. 77,000 per annum to the Revenue, but the object of the Imperial Government in so doing is to a great extent defeated by the permission accorded to the Bombay Municipality to levy a duty, which is operating mischievously as a transit duty.

On this point, the Committee beg respectfully to draw the attention of His Excellency the Viceroy in Council to the letter, dated 22nd August last, from the Traffic Manager of the Bombay Port Trust Bunders to the Municipal Commissioner (a copy of which is annexed hereto for the information of His Excellency in Council), in which the difficulty in obtaining refunds of duty paid on grain is clearly admitted and set forth. Grain is, in the usual course of trade, imported by the native merchants into Bombay, and sold to, and exported by, European merchants; but because consignments are mixed up, and it consequently becomes impossible to identify the grain as belonging to one consignment, refunds are declared inadmissible. The Traffic Manager of the Port Trust Bunders further states in the same letter that the present system for granting refunds "entails no end of trouble and creates " irregularities," and that certain European merchants, whom he describes as the largest shippers of grain, " have decided in future to garble, pack, and mark " all their grain up-country, have it brought down to Bom-" bay by rail and to export it in its original state, so that by " thus fulfilling the requirements of the Refund Regulations,

"they may make their claims for refunds admissible." Now, to enable merchants to do this, they must incur the expense of maintaining establishments up-country, which, with the narrow margin of profit now obtainable, the trade can ill afford to bear; and it will deprive the labouring classes in Bombay of the employment which they have hitherto found in the business of garbling, packing, and marking grain.

The duty on grain which is thus fraught with such injurious consequences to an important, rising, export trade, is estimated by the Traffic Manager of the Port Trust Bunders, in the letter above quoted, to bring to the Municipality, in the year 1875, after allowing for refunds, the small revenue of Rs. 65,749-10-2, from which, moreover, falls to be deducted the cost of collection. No such duty is, the Committee understand, levied in Calcutta, whose export trade, moreover, consists, under happier circumstances, of a long list of important articles. But, limited as the export trade of Bombay is, mainly to one article, viz., Cotton, the levying of such a duty, and the consequent interference with the regular exportation of the article on which it is levied, becomes a serious evil, which, the Chamber trusts, His Excellency in Council will take measures to remove. The Committee desire to impress once more upon His Excellency in Council how much the real interests of Bombay would be furthered by the removal of every obstacle calculated to prevent a more extended list of exports.

For these reasons, the Committee earnestly trust that His Excellency the Viceroy in Council will recognize the advisability of repealing the duty, and that he will be pleased to take the necessary measures to expunge from the list of articles, in Schedule B of the Bombay Municipal Bill III. of 1872, on which Town Duties are levied, "Grain of all sorts," from which so inconsiderable a revenue is derived, and the duty on which presses heavily on the poor, and is at the same time interfering with the natural expansion of an important trade.

Whilst on this subject, the Committee also beg to ask the attention of His Excellency the Governor General in Council to the pressure on the trade of the duties on Tobacco, and to the restrictions on remission of the local duty on re-exportation. In addition to the Imperial Customs Duty of 10 per cent. *ad valorem*, on the manufactured article, the

Municipal Duty of Rs. 7½ per maund of 82 lbs.—equivalent, on the lower and cheaper kinds, to about twice the amount of the Imperial Customs Duty—is levied under Act IV. of 1857, of the Legislative Council of India, and the proceeds transferred to the Bombay Municipality under Bombay Government Resolution No. 2269 (General Department) of November 1866, with the sanction of the Government of India, by its Resolution No. 3130, of 31st October 1866. Like the duty on grain, it is intended only to be levied on tobacco consumed in the Town, the whole of the duty being, under Section 4 of the Act, remitted when the tobacco is re-exported to any place beyond the limits thereof. But the original case, or at any rate the whole contents re-packed before leaving the Bonded Warehouse, must be despatched before the remission of duty is allowed; nor is it permitted to open a case and obtain exemption from Municipal Duty for a portion forwarded to places out of Bombay. This restriction falls heavily upon retail traders, who cannot export an assorted parcel of tobacco, without paying the special Municipal Duty of Rs. 7½ per maund of 82 lbs.

As showing how heavily the Tobacco duties weigh upon the trade, it has been represented to the Committee that the cost of railway carriage from Bombay to Delhi, where, they understand, there is no such local tax, is Rs. 18, for a quantity of tobacco which, if consumed in Bombay, would have to pay Rs. 16 for Municipal Duty. The total quantity of tobacco imported into Bombay, from foreign Ports and Ports in other Presidencies, in the year 1873-74, was 329,735 lbs., valued at Rs. 212,355, and of tobacco exported to Foreign Ports and Ports in other Presidencies, 3,513,440 lbs., valued at Rs. 5,55,398. These figures are far from conveying any adequate idea of the extent to which tobacco is consumed in this Presidency, in every district of which, and throughout India, it is grown for the use of the cultivators. But the efforts, which the various Governments and Administrations have been making during the last forty years to extend and improve its cultivation, must prove of little avail, when the commodity is so heavily burdened at the chief places of consumption, and when difficulties and restrictions, such as those described above, are interposed against remissions of duty on re-exportation. The Committee are, however, unable to regard this duty in the same light as the duty on

grain—which is mainly composed of the greatest articles of subsistence,—but they would respectfully urge upon His Excellency the Viceroy in Council the desirability of the Rules affecting the remission of duty on re-exportation being so modified that difficulties and restrictions of every kind should be removed, and particularly that remission should be granted on any portion of tobacco removed from a case and re-exported.—I have, &c.,

J. GORDON, Secretary.
D. WATSON, Chairman.

Chamber of Commerce, Bombay, 30th Nov., 1874.

[Copy.]

BOMBAY PORT TRUST, 22*nd August*.

E. W. RAVENSCROFT, Esq., Acting Municipal Commissioner, Bombay.

SIR,—I have the honour to submit statements of the probable revenue to be derived from Town Duties for 1875, and of the anticipated amount of refunds for the same period, the former amounting to Rs. 5,65,608-7-6, and the latter to Rs. 90,286-8-0. The item of wines and spirits has been calculated at four annas per gallon as requested.

I anticipate a very large export trade in grain during the next season. The European merchants, such as Messrs. Ralli Brothers, W. Nicol & Co., and Finlay, Scott & Co., have been the largest shippers this season, and, for some reason or other, they have not put in their claims for refund for all the grain they exported.

I am now informed that these merchants have decided in future to garble, pack, and mark all their grain up-country, have it brought down to Bombay by rail, and to export them in their original state, so that, by thus fulfilling the requirements of the Refund Regulations, they may make their claims for refund admissible. During the present season such was not the practice; grain was brought to Bombay, consignments mixed up, and consequently it was impossible to identify the grain as belonging to one consignment, which prevented refunds from being granted. Now, however, that merchants have come to understand the matter so well I expect the full amount of refunds will be claimed.

Besides the above, the rice trade this season has been a very bad one, owing to the famine in Bengal. During the next season, on the other hand, a large quantity of rice is expected, and it is probable that large exportations to Arabia, Persian Gulf, and other Foreign Ports will be made. These circumstances will account to the refund for grain being fixed at Rs. 20,000.

Metals.—The claim for refund on metals had scarcely been

applied for, so long as the duty remained at ½ per cent. ; since, however, the duty has been increased to 1 per cent., claims have been flowing in more regularly.

Sugar and Jagree.—Jagree in the same way as metals ; merchants on importing did not trouble themselves about marking their packages, because duty was so low as not to compensate for the trouble ; now that duty is increased, they have commenced to have their packings legibly marked, so that on export they may be able to make good their claims for refund.

Mowra Spirits.—Very little of this spirit is exported, almost the whole is consumed in Bombay. Europe spirits and wines are largely exported ; no doubt when the duty on this item is increased, merchants will be more particular about their claims than they have hitherto been.

It will thus be seen that, while the increase of duty has tended to augment the claims for refund, no corresponding increase has been made in the amount, at which refund is now claimed so as to counterbalance its effect. In my opinion the minimum amount of Rs. 10 should have been raised to Rs. 15.

It appears to me that the sooner Mr. Pedder's proposal for a Bonded Warehouse is carried out the better it will be both for the Municipality and those merchants whose goods are brought to Bombay expressly for exportation.

The present system for granting refunds entails no end of trouble, and creates irregularities from the facts that merchants mix up consignments of one class of goods as to so make the amount above Rs. 10, whereby it is found difficult to identify goods belonging to one bill, and one consignment, as the merchant's mark on all goods imported is always the same. This circumstance has been explained more at length in my letter No. 62 of 19th June.

In conclusion, I would suggest that, as the amount of refunds is daily increasing, the Municipality appoint an Auditor to audit the refund claims passed by the examiner of this department.—I have, &c.,

JOHN RYAN, Traffic Manager,
Bombay Port Trust Bunders.

Statement showing the probable amount of Revenue to be derived on the undermentioned Goods liable to Town Duty at the increased rates, from 1st January to 31st December 1875.

Grain, of all sorts, 342,998 candies, at 4 annas per candy—Rs. 85,749-10-2.

Metals, value Rs. 39,74,725, at 1 per cent.—Rs. 39,747-4-0.

Wines and Spirits, 842,085 imperial gallons, at 4 annas per gallon—Rs. 210,521-5-0.

Beer, 293,399 imperial gallons, at ½ anna per imperial gallon—Rs. 9,168-11-10.

Sugar (including Jagree, Molasses, and Goor), value Rs. 9,510,100 at 1½ per cent.—Rs. 142,651-9 3.

Ghee, 76.315 Bombay maunds, at 6 annas per maund—Rs. 28,618 4 0.

Timber, value Rs. 1,966,067, at 2½ per cent.—Rs. 49,151-11-3.

Statement showing the anticipated amount of Refunds to be granted on Goods on their exportation by sea and by railway during the year 1875.

Grain of all sorts, 80,000 candies, at 4 annas per candy—Rs. 20,000.

Metals, value Rs. 500,000, at 1 per cent. on value—Rs. 5,000.

Wines and Spirits. 60,000 imperial gallons, at 4 annas per imperial gallon—Rs. 15,000.

Beer, 27,168 imperial gallons, at ½ anna per imperial gallon—Rs. 849.

Sugar (including Sugarcandy, Jagree, &c.), value Rs. 26,00,000, at 1½ per cent. on value—Rs. 39,000.

Ghee, 4,500 Bombay maunds, at 6 annas per Bombay maund—Rs. 1,687-8.

Timber, value Rs. 350,000, at 2½ per cent. on value—Rs. 8,750.

Total amount of refunds—Rs. 19,286 8.

BENGAL CHAMBER OF COMMERCE, CALCUTTA, 30*th Nov.*, 1874.

J. GORDON, Esq., Secretary, Chamber of Commerce, Bombay.

SIR,—I have submitted your letter of 19th instant to the Committee for their information on the points brought to notice, and am directed to state, in reply, that Municipal taxation similar to that described by you does not exist in Calcutta, and they are consequently unable to afford you any assistance in the matter.

There are no duties levied on imported tobacco other than the 10 per cent. *ad valorem* charged under the Customs Act: and remissions of drawbacks of that and other articles on re-exportation are obtained without difficulty if merchants can satisfy the Collector on the point of identification.—I have, &c.,

H. W. I. WOOD, Secretary.

CHAMBER OF COMMERCE, MADRAS, 31*st March*, 1875.

From C. A. LAWSON, Esq., Secretary, Madras Chamber of Commerce, to J. GORDON, Esq., Secretary, Bombay Chamber of Commerce.

SIR,—I am directed to inform you, in reply to your letter of the 26th ultimo, that there are at present no Town Duties in Madras. A Committee recently appointed by the Government to submit proposals for an amendment of the existing Madras Municipal Act is understood to have decided by a small majority to recommend the imposition of duties corresponding to those in force in Bombay. Their report, however, has not yet been adopted, and there seems

much probability of the resolution in favour of octroi being reversed. Should this expectation not be realised, the Chamber will do its utmost to prevent the introduction into this city of so obnoxious a form of taxation as Town Duties.—I have, &c.,

C. A. LAWSON, Secretary.

No. 602 OF 1875.

Letter from the Municipal Commissioner of Bombay, to the Chief Secretary to Government, on the subject of recent proposals of the Chamber of Commerce seriously affecting the Municipal Revenue of Bombay.

The CHIEF SECRETARY to GOVERNMENT, General Department, Bombay.

SIR,—I have now the honour to reply to Mr. Under-Secretary James's memo., dated the 3rd December 1874, forwarding, for my opinion and remarks, a letter from the Bombay Chamber of Commerce to the Government of India, in which the Chamber demand the total abolition of the Municipal Town Duty on Grain, and an alteration in the law under which the Municipal Tax on Tobacco is levied.

2. I beg to explain that I have delayed this reply in order that I might be able, at the same time, to comment on further proposals of the Chamber of Commerce, that the Government of India shall confiscate the entire Municipal revenue from tobacco and from liquors, in order to provide the means of making certain modifications in the Imperial customs tariff desired by the Chamber.

3. I will begin with the question of the town duty on grain, and will first state the circumstances under which the letter of the Chamber was addressed to the Government of India.

4. At the special meeting of the Corporation held, under Section 35 of the Municipal Act, on the 6th November last, to discuss the Municipal Budget for 1875, the letter (accompanying the correspondence) from the Traffic Manager, Port Trust Bunders, dated 22nd August 1874, was laid before the Corporation. I then pointed out the great and growing importance of the Bombay export trade in grain. I stated my opinion that the Municipality should

be very careful not to allow its town duty in any way to impede this trade. I showed from Mr. Ryan's letter that the town duty was, to some extent, operating as a transit duty; *i.e.*, that merchants did not alway obtain full refund of town duty on exported grain; and that (as is now stated by the Chamber) if, in order to obtain refunds more easily, merchants finally packed their grain for export up-country, instead of in Bombay, this would involve loss both to the trade and to the city. Finally, I said that I should be happy to meet any merchants interested in the grain trade, and to discuss with them the points—first, whether, under the existing law, we could modify the system of levy of town duties so as to meet their views; secondly, if not, what modification of the law is desirable.

5. My speech was reported in the newspapers; and I expected that if the grain trade was really suffering under any grievance worth taking a little trouble to remove, my invitation would be responded to. I have never, however, heard on the subject, either from the Chamber of Commerce or from individual merchants, and I was therefore somewhat surprised to read the demands addressed by the Chamber direct to the Government of India. I would respectfully suggest that, had the Chamber and the Corporation been able, after private and full discussion, to agree on, and jointly to recommend, any modifications in the existing law relating to town duties, the Government of Bombay would, in all probability, have consented to make them; and that this course would have been more convenient, more likely to effect any reasonable wishes of the Chamber, and more respectful to the Government of Bombay, than that which the Chamber have seen fit to adopt.

6. The Chamber, after disclaiming any intention of discussing the principle of town duties, immediately proceed to denounce the duty on grain as fundamentally wrong, unjust, oppressive to the poor, &c., &c., and therefore to demand its total abolition, instead of (their ostensible object) asking for such modifications of the present system as may prevent the duty from operating as a transit duty. I am, therefore, obliged to discuss the proposal to abolish the duty, instead of one with which I should cordially agree.

7. Although the Chamber state their view with a confidence which assumes that there should be no doubt of its

correctness, and with an oracular air which seems to imply that the expression of their opinion ought to be enough to remove any such doubt in the minds of the ill-informed, I must make bold to demur to the doctrine that "the prin-"ciple of taxing, in any form, a primary necessary of life, "especially in so poor a country as India, is wrong."

8. The doctrine that the poor should not be taxed at all might be supported by plausible arguments, though it has never been admitted by practical statesmen in any country, least of all in India, while there are special reasons why the poor should contribute to the Municipal revenue of Bombay, since much of its expenditure is upon objects which are specially beneficial to the poor, and which they cannot obtain for themselves. But if it is conceded that the poorer classes should contribute according to their means to the revenue, then it appears to me that the distinction between the taxation of necessaries and that of so-called luxuries is not one which rests on any reasonable basis. Money, after all, is the primary necessary, and, in whatever way the poor are taxed, money is what they they have to pay.

9. The Chamber draw a distinction between the town duty on tobacco and that on grain. The latter article being a necessary, they think its taxation in any shape unjustifiable; but they do not regard the duty on the former article in the same light, since they are pleased to consider it a luxury. I may ask, where is the real difference? The great majority of the poor will not, and cannot, do without tobacco any more than without grain, and hence to pay the tobacco-tax is as much a necessity to them as to pay the grain-tax. If the poor generally gave up the use of tobacco, the result would be that we should be obliged to tax them some other way. And the grain-tax is really the more equitable tax of the two, because universal. The small minority who do not use tobacco, thereby escape their due contribution to Municipal revenue.

10. Again, if the Chamber of Commerce are asked how the loss to Municipal revenue, caused by the abolition of the duty on grain, is to be replaced, they will probably suggest an increase to the house-tax. Now, when the Bombay house-owners have complained of the weight of this tax on their property, they have always been told by the opponents of town duties that they do not pay it; that it is really paid by

the population generally in the shape of enhanced rents. If so, what difference in principle is there between a tax paid indirectly by all classes in the shape of an enhanced price of grain, and one paid indirectly by all classes in the shape of an enhanced price of another necessary of life, lodging?—except, indeed, that the former is the more equal tax of the two, since it must be paid by all, while certain classes, and those by no means the poorest, who live not, as the labouring classes of Bombay mostly do, in rented rooms but in huts, escape contributing to the house-tax.

11. To prevent misapprehension, however, I must say that I am aware that there is a real distinction between necessaries and so-called luxuries, considered as subjects of taxation. That distinction rests on the comparative ease with which expenditure upon them may be curtailed. If a poor man's wages are reduced, he can reduce his expenditure on tobacco and spirits, or even on lodging, more easily than on bread. And, for this reason, I of course admit that, if we could afford to abolish either the tobacco-tax or the grain-tax, we ought to select the latter. But (with deference to the Chamber, who believe that a sum of Rs. 1,11,000,* though large enough to oppress the poor, and seriously to impede trade, is a mere trifle to the Municipality) we are not in a position to reduce the total amount of taxation, and it is probable that any considerable increase in the Municipal taxes on so-called luxuries would cause an equivalent decrease in their licit consumption.

12. I would, then, very respectfully urge that, it being granted that all classes should contribute, according to their means, to the Municipal revenue of Bombay, the question of the nature of the taxes ought to be decided, not so much on an almost fanciful distinction between luxuries and necessaries, as on more practical considerations. Such considerations are—whether the particular tax is convenient, easy, and cheap to collect; whether it is excessive in amount as compared with the means of those who pay it; whether it is unpopular, and felt as burdensome and oppressive; whether it entails annoyance to the people in demand, or minute and vexatious enquiries into their circumstances.

* The figure, Rs. 65,799, given by the Chamber of Commerce is wrong, being the amount collected by the Port Trust only. The figures in this letter are correct according to the Budget Estimate for 1875.

13. On all these points, it can hardly be denied that town duties (putting out of sight, for the present, the question whether they operate as transit dues) have many advantages. They cost 3 per cent. only to collect. Under the present system, they involve no extra delay or annoyance to importers in collection, for they are collected chiefly by the Port Trust at the same time with its own dues. They are moderate in amount. To take the grain-tax alone, it is shown by the Chamber of Commerce that it is equivalent only to something under 1½ per cent. on the value of the article—a proportion which, though I fully allow that it may seriously affect the profits of an export trade, cannot be considered a heavy burden on the consumer. It amounts to a tax of a little over 2½ annas per head on a population of 645,000. The ordinary labourer with a wife and two children will thus pay about 10 annas a year. This he pays imperceptibly, and when he has money to buy grain. Hence the tax is not unpopular. I would ask Government to compare this tax, as regards difficulty of evasion, cheapness of collection, and annoyance to the payer, with any mode whatever which can possibly be suggested of raising 10 annas per family by direct taxation.

14. It may, however, very fairly be argued that the poorer classes contribute, on the whole, more than in fair proportion to their means, as compared with those of other classes, to our Municipal taxation. I myself am of opinion that our taxation is not quite equitable; that certain classes escape their due share. For this reason I proposed a Municipal income-tax—the only way, it appears to me in the peculiar circumstances of Bombay, of rectifying this inequality. But the Town Council considered that this proposal would be so unpopular, especially with the mercantile classes, that they have declined to entertain it.

15. Finally, I must urge that it is extremely doubtful whether the consumer really pays the whole of even the small tax on grain.

16. Where a real trade competition exists, it of course keeps down profits, and a tax on grain must be paid by the consumer in the shape of an addition to price. But if combination rather than competition is the rule, the probability is that a part, at least, of the tax will be paid out of the extra profits of the dealers. The following figures will show

that it is at least likely that the general belief is true that combination has much power in the Bombay local grain trade. The mean price of the five principal food grains (wheat, rice, jowar, bajri, and dal,) in Bombay was—in October 1865, seers 9 chittacks 3 per rupee ; in October 1874, seers 12-11. The mean price of the same grains in the districts of Khandeish, Sholapore, Ahmednuggur, and Sattara (which send much grain by railway to Bombay) was—in October 1865, seers 12-7 ; in October 1874, seers 33-7½. Now, it is very difficult to believe that a difference of 163 per cent. in price represents the cost of carriage and ordinary profit alone on grain transactions between markets distant only a couple of hundred miles, and connected by railway for most of that distance; it is still more difficult to see why, if a difference of 35 per cent. in price covered cost of carriage and profit ten years ago, it should not do so now when communication is easier and cheaper.

17. Having dealt with the proposal for the abolition of the grain tax, I will proceed to discuss the further proposal to transfer the Municipal revenue from tobacco and liquor to the Imperial Treasury.

18. The principle of this proposal is, of course, that of buying something you want with money that belongs to some one else—a principle not, perhaps, absolutely new in commerce, but generally disapproved by moralists and law-givers.

19. In considering it as applied to the Bombay Municipality, I would first beg leave to briefly discuss the extremely important question of the principles on which the relation between State and Municipal revenue should be regulated.

20. In one sense, all Municipal revenue may be said to be a deduction or contribution from State revenue. If our Government went on the usual practice of Oriental Governments, of raising as much revenue as the people will stand, it is evident that it would levy, *e.g.*, the house-tax in Bombay, instead of the Municipality. But the principle of our Government is, I take it, to levy from the country generally, for Imperial purposes, such an amount of revenue as State necessities require on an equitable and uniform system, so that one town or province shall not be called on to pay more in proportion to its population, wealth, and advantages, than another. This being so, the city of Bombay, paying, like

other parts of the Presidency, its fair share of State taxation —of salt-tax, stamp duties, abkari, customs, &c.—is permitted to impose on itself, through its representatives the Corporation, additional taxation for its own local purposes up to a limit fixed by the Legislature. And if, I would venture to say, the principle that local taxes are to be spent for local purposes is abandoned by the Government of India in deference to the unsought advice of the Chamber of Commerce, Municipalities will become something less than shams—mere machines for experiments in taxation.

21. An examination of the Municipal Budget will show that there is one item of our revenue only—the liquor-shop licence tax—which is really a contribution from State revenue. That is so, since in other parts of the country a shop-tax is levied and credited to State revenue, and this item was formally made over to the Municipality by Act II. of 1845. But there is a reason which doubtless influenced the Legislature in granting this tax for local purposes. It is a tax not directly on liquor, but on the monopoly value of liquor-shops which arises from the limitation of their number necessary on grounds of police, and may therefore fairly be claimed by the revenue which pays the police force of Bombay.

22. All other items of our revenue are strictly local, and extra to State taxation, that is, they would not be levied by the State if they were not required for Municipal purposes.

23. Of the two remaining items now selected by the Chamber of Commerce for transfer to the Imperial Treasury, one—the town duty on liquors—may be dismissed with a very brief notice, since certain questions affecting it have recently been discussed at length. It is a Municipal tax levied on liquor consumed by the population within Municipal limits, distinct from, and in addition to, the imperial excise or customs duty. And its transfer to the State would not in the least affect the difficulty which undoubtedly exists as regards the Imperial taxation of country liquor manufactured within, and of that imported into, the island of Bombay.

24. But I shall be obliged to treat of the tobacco-tax at greater length, since, owing to the form of the law under which it is levied, it is commonly believed to be a real contribution from the State to the Bombay Municipality. To explain

the merits of the question, I must very briefly state the history of the Bombay Municipality, the nature and origin of the Municipal Fund, and the objects on which that Fund is to be expended.

25. The germ of the Municipality is to be found in 33 Geo. III., cap. 158, which gave the Justices of the Peace in Bombay, Calcutta, and Madras, power to assess lands and houses for repairing, cleansing, and watching streets. By various ordinances (*e.g.* II. of 1812—prevention of nuisances; II. of 1813—pounding stray cattle; III. of 1815—sanitary regulations; I. of 1818—regulation of conveyances; II. of 1827—police regulations), a kind of code of Municipal rules was formed; and funds were provided for these purposes by special taxation of the city of Bombay. By Regulation XIX. of 1827, the Collector of Bombay was empowered to levy, in addition to the regular land assessment, a shop and stall tax, licence fees for music, &c., a house-tax (the same as under the Act of Geo. III.), and a tax on horses and vehicles. And by Regulation XXI. of 1827, a special duty (of Rs. 3 the Bombay maund, afterwards altered by Acts XXIV. of 1850 and I. of 1852 to Rs. 7 the Indian maund) was imposed on tobacco, and a corresponding duty on snuff and ganja, imported into, and consumed in, the island of Bombay, in addition to the regular Imperial customs duties on those articles.

26. The Municipal constitution was thus much as follows:—Government levied, through their officers, the collectors of land-revenue and customs, these special taxes, and spent them, or as much of them as they saw fit, on the police, roads, and general conservancy of the city. The Justices, through their Court of Petty Sessions, enforced the sanitary regulations, and, by Act XIV. of 1842, had the disposal, for purposes growing out of those regulations, of a small fund, called the County or Municipal Fund, which appears to have been chiefly composed of fines levied under the sanitary regulations.

27. Act II. of 1845 made the Justices into a regular Municipal Corporation, established a Board of Conservancy as an executive body, and provided a regular Municipal Fund. This fund was to consist of the following items:—

1.—House and land tax of 5 per cent., under 33 Geo. III., cap. 158.

2.—Fines, fees, and recoveries under the various sanitary and police ordinances and regulations above cited.

3.—Shop and stall tax, and music licences, under Chap. 2 of Regulation XIX. of 1827.

4.—Tax on horses and vehicles, under Chap. 4 of that Regulation.

5.—Fees on transfers of real property, under Chap. 5.

6.—Police and Petty Sessions fees, under Chap. 6.

7.—Licence fees for liquor-shops.

And, in consideration of the funds thus handed over by Government, the Municipality were—

1.—To pay for the road repairs, cleansing, draining, and lighting of the city.

2.—To construct new roads and tanks required.

3.—To maintain the necessary establishments.

4.—To pay to Government an annual contribution of about one-fourth ($\frac{45}{164}$) of the yearly cost of the police.

28. It will thus be seen that the special tobacco duty was not handed over to the Municipality at the same time as the other local taxes; and the reason is obvious. Government retained it to pay the greater part of the cost of the police, a portion of which, however, was defrayed by the Municipality, who received the licence fees on liquor-shops.

29. In 1852, the Commissioner of Customs recommended that the special tobacco duty should be made over to the Municipality, a proportionate increase being made in the Municipal contribution to the cost of the police. This proposal was sanctioned by the Government of India in 1855, the condition being that the Municipality should defray the whole cost of the fire-brigade, and half, instead of one-fourth, the cost of the police. There was, however, a legal objection to a larger contribution than that laid down in the Municipal Act of 1845 being paid out of the general Municipal Fund; and it was determined to amend the law regarding the special tax. Accordingly, Act IV. of 1857, the law under which the tobacco duty is still levied, was passed. This Act did away with the special tax on ganja, and with that on snuff as distinct from tobacco; formally named the tobacco-tax the "Municipal duty;" and enacted certain regulations regarding warehousing, &c.

30. When the next Municipal Act (XXV. of 1858) was passed, tobacco, as being already taxed for Municipal purposes by Act IV. of 1857, was not entered in the shedule of articles subject to town duty. That this was the reason was acknowledged by Government Resolution of 19th August 1858.

31. When the Municipal Act of 1858 was under consideration, Government proposed to bind the Municipality by it to pay the cost of the fire-brigade, and half the amount of the police. But Mr. LeGeyt, in charge of the Bill in the Legislative Council of India, pointed out that the Tobacco Act of 1857, though it called the tobacco-tax the "Municipal duty," did not specifically grant its proceeds to the Municipality, and that it would be better that the matter should rest on special arrangement between the Municipality and Government. The Municipal Act of 1858 therefore, as finally passed, fixed the Municipal contribution to the police at about one-fourth of the cost only.

32. As soon as the Act had been passed, the question whether the arrangement, by which the Municipality receiving the tobacco duty should pay the fire-brigade and half the cost of the police, should be continued, was debated by Government and the Bench of Justices. The gain to the Municipality by that arrangement was then about Rs. 25,000 a year. Government finally passed the Resolution No. 2985 of 6th December 1858, to the following effect :—

33. After showing that Government had the power of putting an end to the arrangement in force, the Resolution proceeds to say that three arguments in its favour might be urged :—

1*st*.—That the tax, being a local one, should belong to the Municipality.

To this it was replied that the force of the argument was negatived by the fact that the amount of the tobacco duty was less than the cost to Government of the police, the uses of which were chiefly Municipal; and that, if the distinction between Imperial and local sources of revenue was insisted on by the Municipality, Government must insist on an equally rigid distinction between Imperial and local charges, and must withdraw their contribution to the police

on the ground that it is rather a Municipal than an Imperial force.

2*nd*.—That Government were exempt from Municipal taxation.

To this it was replied that the new Municipal Act made Government liable to Municipal taxation.

3*rd*.—That the Municipal income was insufficient.

To this it was replied that Government were ready to sanction additional Municipal taxation.

I beg to direct particular attention to these arguments.

34. The arrangement decided on was, then, that Government should retain the tobacco-tax, paying the whole cost of the fire-brigade and of the police, except about one-fourth, which was paid by the Municipality.

35. In 1865, a new Municipal Act was passed. Just at the time when this Bill was introduced in the Bombay Legislative Council, orders were issued by the Government of India that all towns should pay the cost of their own police. These orders, I believe, have since been cancelled; they, at any rate, are not enforced. But it was considered necessary on account of them that the Act should throw on the Municipal Fund the cost of the Bombay police. Government, however,—I presume considering that the Bombay police force was, to some extent, employed on duties rather Imperial than Municipal, and that it was to be under the control, not of the Municipality, but of Government—made an annual contribution to the Municipal Fund of one-fourth the cost of the police, and also applied to the Government of India to restore the tobacco duty to the Municipality. The Government of India replied (31st October 1866) that the tobacco-tax, being of the nature of a local duty, should be transferred to the Municipality. The Municipality has received it ever since, and received the Government contribution of one-fourth the cost of the police, till that contribution was withdrawn by the Government of Sir S. Fitzgerald under circumstances which are sufficiently familiar.

36. I will briefly recapitulate the facts above stated :—

(*a*).—Originally Government paid the police.

(*b*).—When a regular Municipality was formed, it received the revenue arising from police regula-

tions, *i.e.*, police fines and fees and liquor licences, and, in consideration thereof, paid one-fourth the cost of the police.

(*c*).—It was afterwards arranged that the Municipality should receive the proceeds of the local tobacco-tax, and pay half the cost of the police.

(*d*).—This arrangement, by which the Municipality gained, was cancelled by Government for certain stated reasons.

(*e*).—Subsequently, the Bombay Legislature were compelled, by orders of the Government of India not now universally in force, to make the Municipal Fund liable for the cost of the police.

(*f*).—But the Government restored the tobacco-tax, and contributed one-fourth the cost of the police.

(*g*).—That contribution was subsequently withdrawn.

(*h*).—And it is now proposed to confiscate the tobacco-tax, though not one of the reasons which (*d*) at one time induced Government to retain it in their own hands now exists. Government, instead of contributing to the cost of police much more than the amount of the tax, do not contribute an anna. Government are not legally bound to pay Municipal taxes, and do not pay their full amount. And Government would hardly now consider that additional taxation is deirable.

37. If these facts had been before the Chamber of Commerce, I hope and believe that a majority of their number would have declined to urge on Government the scheme of confiscation which they have unfortunately been induced to countenance.

38. I would add that the reasons which induced Government in 1865 to contribute one-fourth of the cost of the Bombay police are still in force. The proceeds of the two taxes, the tobacco duty and the liquor-shop licence fees, which have always been specially appropriated to defray police charges, amount to Rs. 3,09,000 only, out of a total expenditure on the police of Rs. 3,93,000. And that the Bombay police are required to perform duties of a purely Imperial nature, is shown by the fact that the Police Commissioner and several of his officers are now absent from Bombay, and will probably remain absent for a considerable

time, under direct orders from Government, never even communicated to me.

39. In concluding my observations on the proposal of the Chamber to deprive the Municipality of revenue amounting annually to over 6¼ lakhs,* I would remark that the Chamber would seem to share a very common opinion that, because our finances are now tolerably flourishing; because we are paying our debts; because our income balances our expenditure; because we can pay ready money for what we want; because we have cash in hand—the Municipality is fair game, and can very well spare any money that any one wants. I beg to demur to this view. We have, by considerable efforts and reductions, established for the present a financial equilibrium. But the demands of Government or of the public have a constant tendency to diminish our income, and to increase our expenditure. Within the last year, for example, our expenses have risen by half the amount of the grain-tax, of which it is now sought to deprive us, from new outlay on the police and on a hospital. We have now nearly matured a project for increasing the water-supply of the city—a matter of vital necessity, but costing some 40 lakhs, the interest and sinking fund on which sum we shall find the greatest difficulty in providing without increased taxation. We are called on to spend large sums in the mitigation of nuisances, for which the present Corporation, at least, is not responsible. The city is not fully lighted, not half drained; all our roads are not watered; we want more roads, cemeteries, markets; the people are crying out for a hundred improvements. On the other hand, Government have, under the pressure of financial necessity, withdrawn their only contribution to our funds; the rate-payers are demanding of their representatives a reduction of direct taxation; and the amateur financiers of the Chamber are good enough to suggest that we can very well spare them a fifth of our revenue.

* *Budget Estimate for* 1875.

	Rs.
Liquor	2,07,500
Grain Tax	1,11,600
Liquor Licences	1,60,000
Tobacco	1,49,000
	Rs. 6,28,100

40. I will now turn to a subject on which I can cordially agree with the Chamber, and will discuss the alterations of system desirable in order to prevent our town duties from operating to any extent as transit dues. I would, however,

beg to premise that the proposals I am about to make are my own only, and must not be held to bind the Town Council and Corporation who may not agree with me. I will, however, take an early opportunity of ascertaining the views of the Town Council on the subject.

41. We are all agreed that town duties, if permitted at all, should be paid on articles consumed in Bombay only, not on articles again exported and consumed elsewhere; and hence that we must have either a system of refunds, or an inconvenient and costly system of bonding. And it will not be disputed that the Municipality has a right to be sure that it does not pay refunds on exports which have not paid town duty.

42. To secure the latter object is the intention of all the restrictions on refunds which are complained of; and the question is, whether those restrictions can be relaxed without endangering that object.

43. The restrictions are as follow :—

In the case of town duties.

Under the Municipal Act itself, Section 120, refund can be claimed only—

(*a*).—If the article is exported within six months of date of importation.

(*b*).—If application for refund be made within one month from exportation.

(*c*).—Of sums over ten rupees.

And under the rules made under that Section—

(*d*).—Refund is not to be allowed on more than one parcel of goods not previously imported as one parcel, on each of which the town duty is less than ten rupees.

(*e*).—No refund is to be allowed when the marks by which the goods can be identified by reference to the import papers have been obliterated.

(*f*).—Grain is to be garbled under superintendence.

(*h*).—Refund is not to be granted unless the original receipt for the town duty paid on the import is produced.

(*i*).—Packages of ghee are to be sealed on import, and refund is not to be granted if the seal has been broken.

As regards tobacco, there are no refunds; but the tobacco,

if not required for consumption in Bombay, is bonded, and the duty remitted if an entire original package only is exported unopened.

44. The effect of these rules, it will be seen, is to discourage the grant of refunds on goods that have broken bulk, and to require that the identity of the parcels on which refund is claimed, with the parcels on which town duty has been paid, shall be established.

45. Now, there are three ways, it seems to me, in which the Municipality might be defrauded in the grant of refunds:—

1*st*.—On goods originally smuggled, *i.e.*, which evaded payment of town duty on import. In this case, there would be a double loss, of the town duty as well as of the refund.

2*nd*.—On goods produced within Municipal limits, and on which town duty had never been demanded.

3*rd*.—On goods the bulk of which had been increased by one of those processes of manufacture which it is not polite to call fraudulent. If, for instance, town duty had been paid on 10 cwts. of sugar, the weight of which was increased by the addition of sand to 12 cwts., and refund was paid on 12 cwts., there would be a loss on 2 cwts.

46. In the the case of most Indian cities, there can, I think, be little doubt that refund of town duties could not be granted at all, unless under rules quite as stringent as are here in force. But it appears to me that, owing to the particular circumstances of Bombay, we might safely relax our rules. The island of Bombay itself produces, with an insignificant exception, none of the articles liable to town duty. As all bulky goods are imported either by sea or by railway, and are consequently subject to examination either by the railway officials to ascertain that the Railway Companies are not defrauded, or by the officers of the Imperial Customs and Port Trust, as well as to the scrutiny of the establishment for collection of town duties, while the amount of the town duty is not high enough to make it worth while to run any risk in order to evade it, the risk of smuggling is quite inappreciable. And, at present at least, most of the articles liable to town duty are not likely to be increased in

bulk by such processes of manufacture as I have referred to above.

47. I would therefore, as a general rule, annul all the restrictions which require that the identity of the parcels on which refund is claimed with those that have paid town duty shall be established, and all restrictions on goods breaking bulk; would act on the assumption that all dutiable exported goods must have paid town duty; would therefore give refunds on all dutiable goods on a mere certificate of export if produced within fifteen days of exportation; and would reduce the minimum amount claimable as refund to Rs. 5. Any transaction, which does not involve payment of town duty to the extent of Rs. 5, may fairly be considered a retail transaction, and it must be remembered that town duty is not levied on imports small in quantity.

48. I will now go through the list of dutiable articles, and show to which of them these principles may fairly be applied.

(*a*).—Grain.—Duty 4 annas per candy. Estimated net revenue for 1875, Rs. 1,11,614. This article is imported in large quantities, and there is no danger of smuggling, nor of increases of bulk in Bombay. But a certain quantity of rice is grown in Bombay. If, however, any portion of this rice is exported, a corresponding quantity of imported rice which has paid town duty will be consumed in Bombay, so that there will be no loss.

(*b*).—Sugar.—Rate 1½ per cent. on tariff value. Estimated revenue Rs. 1,06,200. There is no fear of smuggling, and the article is not produced in Bombay, while, so far as I can learn, it is not now adulterated in Bombay.

(*c*).—Ghee.—Rate 6 annas per Bombay maund. Revenue Rs. 97,296. This article is notoriously adulterated largely in Bombay, and the present restriction, that refund is not to be granted on any dubba the seal on which impressed at the time of import has been broken, must be maintained. As, however, ghee is not an article which requires or will bear re-packing for exportation, and the only object in opening

dul[illegible]as imported with a view to re-exportation must be adulteration, there is no hardship in maintaining the existing restriction.

(*d*).—Wines and Spirits.—Rate 4 annas per gallon. Revenue Rs. 1,99,127.

(*e*).—Beer.—Rate 6 pies per gallon. Revenue Rs. 8,342.

No refunds at all should be granted on native spirits. Mowra liquor is imported for the consumption of Bombay only, while toddy spirit manufactured in Bombay pays no tax to the Municipality. As regards European wines and spirits, there is no fear of smuggling. But a practice has lately grown up of manufacturing from toddy and other ingredients a spirit put in bottles and sold or sent up-country as 'French Brandy.' I believe that Government are taking steps to put an end to this practice. Unless this can be done, I fear that it will still be necessary to identify, before granting refund, European spirits exported with the imports that have paid town duty.

(*f*).—Tobacco.—Rate Rs. 7 per maund. Revenue Rs. 1,49,000. Tobacco is not produced or, at present, adulterated in Bombay, and there is no fear of its being smuggled to any appreciable extent. There is, therefore, I think, no objection to such a relaxation of the existing law as shall permit assorted parcels of tobacco which have broken bulk to be removed from the bonded warehouse for exportation. The merchant would, of course, remain liable for the duty till he produced a certificate of exportation.

(*g*).—Metals.—Rate 1 per cent. on tariff value. Revenue Rs. 37,848.

(*h*).—Timber.—2½ per cent. on market value. Revenue Rs. 41,279.

These articles should, in my opinion, be exempt from town duty altogether. They are, to a very large extent, used to make up into manufactured articles (as, for instance, machinery cooking-pots or household utensils of metal, furniture boats or carriages of timber) in Bombay, and then exported. It would be impossible to grant

refunds on these articles, and the consequence is that the town duty acts, to a considerable extent, as a tax, not on the consumption of Bombay, but on her manufactures—a very different thing. I would replace the town duty on metals and timber by a town duty of two annas a candy on firewood, the whole quantity of which article imported is consumed in Bombay itself. This tax would produce nearly one lakh of rupees. It would not bear heavily on the poorest classes, who do not use firewood to any great extent, and its levy would not be inconvenient to the traders, as it would be collected by the Port Trust with their own dues.

49. If these principles are adopted, trade will have nothing to complain of as regards town duties, and we may be quite sure that they will not operate in any way as transit dues.—I have, &c.,

W. G. PEDDER,
Municipal Commissioner of Bombay.

Munl. Commr's. Office, Bombay, 26th Jan. 1875.

No. 100 OF 1875.

To E. JAMES, Esq., Acting Under-Secretary to Government, General Department, Bombay.

SIR,—I am directed to acknowledge the receipt of your letter No. 393, dated 9th February last, enclosing—for any remarks which the Chamber may desire to make to accompany its letter to the Government of India on the subject of the Municipal Duties levied in Bombay on Tobacco and Grain—copy of a letter from the Municipal Commissioner of Bombay No. 602, dated 26th January last.

Two distinct representations have lately been made by the Chamber to the Government of India on the subject of Town Duties: The first was,—

(*a*).—That the Town Duties in Bombay on Grain and Tobacco should be so modified as no longer to act as "transit" duties; and

(*b*).—The Chamber took advantage of the opportunity

to suggest that "the principle of taxing a primary necessary of life was wrong;" and that it would be a wise thing on the part of the Government to abolish such duties altogether.

In the first part of this representation—viz. (*a*) the Committee are glad to see that the Municipal Commissioner agrees entirely with the Chamber, the more so because it has not always been the case in Bombay that either the Municipality, the Municipal Commissioner, or the local Government could be brought to take this view of the matter.

The Committee have no doubt that the proposals made in paras. 47 and 48 of his letter, for so far changing the system of levying town duties in Bombay as to prevent town duties from operating as transit dues, if carried out, would, so far as they go, afford a great relief to trade, and would to a certain extent remove the present grounds for complaint. But there is still a wide difference both in practice and in principle between the greater facilities which the Municipal Commissioner is willing to afford for obtaining refunds of town duties and the total abolition of the town duties themselves as prayed for by the Chamber. The Committee are inclined to believe that with regard to the amount of town duty levied on Wheat actually consumed in the town the loss of revenue to the Municipality would be comparatively trifling if the town duty were abolished.

With regard to the second part (*b*) the Municipal Commissioner says "he makes bold to demur to the doctrine "that to tax a first necessary of life is wrong." The Committee have no intention, however, of following the Municipal Commissioner in his no doubt able and ingenious arguments, but will merely remark that the doctrine laid down by the Chamber has been accepted as an axiom by every English statesman for the last 20 years, and will no doubt have due weight given to it by the Government of India. The Committee direct me further to point out that the Municipal Commissioner himself admits that "it may be "fairly argued that the poorer classes contribute more than "in fair proportion to their means as compared with other "classes" to the Municipal revenues of Bombay.

The Municipal Commissioner's contention in paras. 15 and 16 that the middleman probably pays part of the tax on grain hardly requires serious notice as evidently he only

half believes in it himself. It is much more likely that for every *one per cent.* the middleman has to pay to the Municipality he will charge the retail consumer *two per cent.*

It only remains then, with regard to the first representation of the Chamber to the Government of India, to notice one other point where the Municipal Commissioner seems to imply that the Chamber has been guilty of disrespect to the Bombay Government in not first of all going to them on the subject, and it is of importance that any such mistaken idea should be corrected. The Chamber has always been treated by the Bombay Government with much courtesy and consideration, and nothing could be further from its intention than to show any want of respect to the local Government in return. The reason that led the Chamber to go direct to the Government of India was of the most simple character. The Export Duty on Wheat was taken off on the direct representation of the Chamber to Lord Northbrook personally; and that the Chamber should continue to go to the same source for the removal of another form of exactly the same grievance seemed the shortest and the most natural course for it to take.

The suggestions of the Municipal Commissioner as regards the exemption of Metals and Timber from town duty, though only incidentally connected with the subject of this letter, have the cordial approval of the Chamber, and will, it is hoped, be carried out on the earliest opportunity.

The Chamber, in making the proposal that all the present Municipal revenues from Tobacco and Liquors should be carried to the general revenues of the country, had not in view the financial state of the Bombay Municipality, as the Commissioner seems to suppose, and far less was it actuated by any wish to "confiscate" the Municipal revenues. The proposal came in merely as part of a large and important scheme for the reform of the general Customs and Excise revenues of the Empire, which the Chamber thought it its duty to submit to the Government; and it is a subject for regret that such a scheme should in any way interfere with the financial prosperity of the Bombay Municipality, the interests of which ought no doubt to be identical with those of the Bombay trading community. The Chamber, however, considered Tobacco and Liquors to be fit objects of Imperial taxation,

and further believed that if such taxation were applied to them all over the country, a very large Imperial revenue might thereby be secured. As an illustration of what could be done, the Chamber pointed out that some Municipalities had already fixed upon the system of taxing these articles, and were drawing large revenues from them. If, then, this could be done in particular places, it could be done throughout the whole land. The Chamber thus met the strongest argument that could be brought against its proposals—viz., that it was proposing new, strange, and oppressive taxation, to enforce which would lead to much discontent and difficulty. If the people of Bombay and Lahore, where these articles are subject to Municipal taxation, have not found such taxation oppressive, why should it be felt to be so by the people of any other Town or Talooka throughout India?

It would certainly be most unjust to take these taxes from the Bombay Municipality unless they were taken from all other Municipalities in India, which they are not at present. That Tobacco and Liquors are fit subjects for Imperial taxation, and that they are such in almost every civilized country in the world, the Municipal Commissioner himself will, the Committee think, be ready to admit. His contention seems rather to be that the Government have (so far as Bombay is concerned) already given them up for an equivalent. But, if this is true, it in no way affects the proposals of the Chamber. These proposals were general and meant for the whole of India, and are in no way affected by the special financial relations of the Government with particular Municipalities. The Committee would even venture humbly to suggest that if the local Government were to pay Municipal rates on their property, and were to contribute their fair share to the cost of the Police, as in other Presidency Towns, it would be a better way of settling the matter than by the "rough and ready" method of giving up sources of revenue that properly belong to the State, and by directly counteracting the wise and liberal policy of the Imperial Government, as enunciated in the Resolution on Municipal Taxation, dated 11th November 1868, and which was again displayed by the recent abolition of the Export Customs Duty on Wheat.

The Committee of the Chamber would, in conclusion,

once more remark that their whole argument cannot be more concisely and distinctly stated than in the exact words of the above Resolution :—"*It is to little purpose that the Imperial "Government reduces or abolishes Customs Duties in the "interests of trade, if Municipalities are permitted to levy duties "on articles of commerce passing through their limits.*" In defining the principles on which town duties should be levied, the Government of India laid down that these imposts ought to be confined to a few articles of consumption such as ghee, firewood, fruit, vegetables, fowls, and animals for slaughter; and further that no duty should be levied by any Municipal body on articles liable to Customs duty and imported into India by sea, without the previous sanction of the Government of India. Since the passing, however, of the Bombay District Municipal Act of 1873, taxes are imposed, for local purposes, by nearly every Municipality in this Presidency, on metals, piece-goods, twist, silk, woollens, grain, hides, indigo, seeds, and many other commodities, which are subject to Imperial Customs duties, and which enter into the general trade of the country. Trade is hindered and its development checked by these exactions; and the greatest injury may be inflicted on the commerce of the country by a system which gives to these Municipalities—the entire powers of which are vested in Government officials and nominees—the power to impose, without limit, any taxes, tolls, or other imposts, the approval of the Governor in Council being all that is required. In Bombay, town duties are limited by the Act both in respect of the rates and of the articles on which the duties may be imposed, but as the owners of property are, from the constitution of the Municipality, the interest most largely represented in the Municipal Corporation, it is natural for that body, to overlook the real injury that is being inflicted on important general interests, by the imposition of town duties and of taxes that operate as transit dues, and to make others bear the burden of taxation which should properly fall upon themselves.—I have, &c.,

J. GORDON, Secretary.

J. A. FORBES, Chairman.

Chamber of Commerce, Bombay, 15th May, 1875.

No. 3047 OF 1875.

GENERAL DEPARTMENT,

BOMBAY CASTLE, *5th October*, 1875.

To the SECRETARY, CHAMBER of COMMERCE, Bombay.

SIR,—With reference to your letter dated the 30th November last, forwarding one for transmission to the Government of India, on the subject of grain and tobacco duties levied in Bombay, I am directed to forward, for the information of the Chamber of Commerce, the accompanying copy of an extract from the proceedings of that Government in the Department of Revenue, Agriculture, and Commerce, dated the 20th ultimo, No. 79.—I have, &c.,

A. WINGATE,
For Acting Secy. to Govt.

No. 79.—MUNICIPALITIES,

Extract from the Proceedings of the Government of India in the Department of Revenue, Agriculture, and Commerce, dated the 20th September 1875.

Read the following papers:—

Letter from the Committee of the Bombay Chamber of Commerce, dated 30th November 1874, praying His Excellency the Viceroy in Council to take measures to repeal the duty on grain and to so modify the rules affecting the remission of the local duty on the re-exportation of tobacco as to remove the difficulties and restrictions now interposed in the granting of such remissions.

Report upon this letter addressed by the Municipal Commissioner of Bombay to the Government of Bombay, dated 26th January 1875.

Letter from the Government of Bombay No. 1968, dated 2nd July 1875, transmitting the foregoing documents for the consideration of the Government of India.

OBSERVATIONS.—The Municipal Commissioner of Bombay in his letter, dated 26th January 1875, discusses the principles and details of Municipal taxation in Bombay, and proposes certain measures in order to relieve the trade pass-

ing through Bombay from taxation operating as transit duties.

The Government of Bombay desires to see the system on which the Municipal dues are levied, divested as far as possible of anything that can give them the character of transit duties, and is of opinion that the proposals made by Mr. Pedder will undoubtedly tend to this end. With efficient regulations in respect of refunds, the Governor of Bombay in Council is not prepared to advocate a preference being given, in the matter of exemption from taxation, to one description of taxable produce over another on its being brought into the city.

RESOLUTION.—The Governor General in Council agrees with the Government of Bombay in considering that the proposals made by the Municipal Commissioner of Bombay are calculated to prevent the dues levied on behalf of the Municipality at Bombay from operating as transit duties. It will devolve upon the Government of Bombay to see that these proposals with any needful modifications are carried into effect.

The Governor General in Council does not consider it necessary to discuss on this occasion the principles of the Municipal taxation of the city of Bombay or to suggest any changes in this taxation.

ORDER.—Ordered that copy of the Resolution be forwarded to the Government of Bombay for information and for communication to the Committee of the Bombay Chamber of Commerce.

A. O. HUME,
Secy. to the Govt. of India.

(True Copy.)

A. WINGATE,
For Acting Under-Secy. to Govt.

APPENDIX K.

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TOWN AND TRANSIT DUTIES LEVIED BY MUNICIPALITIES IN THE PRESIDENCY OF BOMBAY.

BOMBAY CHAMBER OF COMMERCE, *26th October*, 1875.

To the CHIEF SECRETARY to GOVERNMENT, Bombay.

SIR,—I am directed by the Committee of the Chamber of Commerce to acknowledge the receipt of your letter No. 3047, dated 5th instant, enclosing an extract from the Proceedings of the Government of India, in the Department of Revenue, Agriculture, and Commerce, No. 79, dated 20th September, in regard to this Chamber's Communication, dated 30th November last, on the subject of the duties levied in Bombay on grain and tobacco by the Municipality.

The Chamber is glad to learn from this extract that the Government of Bombay desires to see the system on which the Municipal dues are levied, divested, as far as possible, of anything that can give them the character of Transit Duties, although His Excellency in Council is not prepared to advocate a preference being given in the matter of exemption from taxation to one description of taxable produce over another on its being brought into the city. The Chamber is also gratified to find that the Government of India desired to see Mr. Pedder's proposals, with any needful modifications, to relieve the trade passing through Bombay from taxation operating as Transit Duties, carried into effect; but His Excellency the Governor General in Council did not consider it necessary to discuss on that occasion the principles of the Municipal taxation of the City of Bombay or to suggest any changes in that taxation.

The object of the Committee in now addressing His Excel-

lency the Governor in Council is to bring under His Excellency's notice the operation of Transit and Town Duties and of Town Duties having the character of Transit Duties, which are levied not only by the Bombay Municipality but by nearly every Municipality in this Presidency on articles of general commerce, and they at the same time desire to avail themselves of the opportunity which the approaching expiration of the "Bombay Municipal Act 1872" presents, to urge upon His Excellency in Council the expediency of abolishing these Duties, and of confining the Municipal Town Duties, in accordance with the principles of Municipal taxation defined by the Government of India in their Resolution dated 14th November 1868, to a few articles of local consumption, such as ghee, firewood, fruit, vegetables, fowls, eggs, and animals for slaughter, which do not enter into the general trade of the country, and which, being recognizable at first sight, do not involve the stoppage and search of other commodities.

In the course of their enquiry into the subject, the Committee applied to the more important Municipalities in the Mofussil for information on the following points :—

1.—The revenue of the Municipality.
2.—How much of the revenue is made up of Town Duties?
3.—Upon what articles are Town Duties imposed, and what is the rate of Duty charged upon each article?
4.—Is any drawback allowed on articles imported into the town for consumption therein but subsequently exported: if so, is the whole Town Duty refunded, or how much of it?
5.—How much of the revenue is made up of Transit Duties?
6.—Upon what articles are Transit Duties imposed, and what is the rate of duty charged upon each article?

The information, which was in nearly every instance most courteously and readily supplied, has been embodied and arranged in a statement showing the Municipal revenues, the amount received from Octroi or Town Duties, and the principal articles which enter into the general trade of the country on which Octroi or Town Duties are levied. I am directed to enclose this statement, with the respectful request

of the Committee, that you will be so good as to lay it before His Excellency the Governor in Council.

From this statement it will be seen that Transit Duties, as such, are avowedly levied by some Municipalities, and that, in most, the rules, under which refunds of Town Duties paid are granted, are so stringent as practically to convert these Town Duties into Transit Duties.

Transit Duties are levied as follows by the Municipalities mentioned :—

By the Kurrachee Municipality.—On cotton in transit at the rate of 4 annas per bale. On all articles on which Town Duties are paid, one-fourth ;—three-fourths only being under any circumstances refunded. The Municipality does not profess to levy taxes direct on goods in transit; but the rules in force are such as to leave the levying of such taxes entirely to the discretion of the collecting authorities, and none of the rules apply to cotton, on which no refund is given.

By the Surat Municipality.—On spirits manufactured at the Government Distillery.

By the Broach Municipality.—In addition to the ordinary Municipal wheel tax, a duty is imposed on all conveyances going out of Municipal limits, whether laden or empty, of 3 pies each, and on all carts conveying bales of cotton to the railway station, 2 annas per cart.

By the Ahmedabad Municipality.—In addition to the Municipal wheel tax the following taxes are levied :—

On carts laden, on entering the city, 2 annas per cart.
On all other laden carts, 1 anna per cart.
On laden camels passing through the gates, 3 pies each.
On bullocks and tattoos laden, 2 pies each.
On donkeys laden, 1 pie each.

With regard to the tolls on traffic levied by the Broach and Ahmedabad Municipalities, the Committee would respectfully request the attention of His Excellency in Council to clause 21 of the Resolution of the Government of India aforesaid in which it is laid down that " a Municipal " body can have no claim to take tolls on traffic enter-

"ing its boundaries by roads or canals. Such imposts "are merely a means of raising money from the commerce "of the country for the benefit of the town in which they "are levied."

To these direct Transit Duties should be added the Town Duties levied by all Municipalities on whatever articles are brought within their respective limits and are re-exported, when, on re-exportation, no drawback or refund of Town Duty paid is granted. Of the Municipalities entered in the statement enclosed, the Municipalities of Nassick, Poona, Sholapoor, Ahmednuggur, Sattara, and the Taunah Districts, allow no refund on re-exportation.

Turning now to the difficulties and restrictions interposed in the granting of refunds on Town Duties paid, we find that, in the case of nearly every Municipality, these are so great as to convert them into Transit Duties. The Committee will here refer only to a few of the larger Municipalities entered in the statement with the view of showing the hardship of these restrictions on importers. In Bombay, no refunds are granted unless the articles are exported within six months from the date of importation. If the principle is accepted that the Town Duties are leviable only on articles consumed in the town, the limitation is an injustice to the merchant who, in importing such articles as metals, wines and spirits, beer, sugar and timber, has frequently to warehouse them for a much longer period than six months before finding a market to which he may venture to export them for sale. In Kurrachee the limitation of the time within which refunds are granted is fixed at two years from the date of the importation of the goods; in Surat, if the articles are exported within eight days from the date of importation; in Ahmedabad, if within one month from the date of importation; in Broach, if within fifteen days from the date of importation, and in Belgaum, if within seven days from the date of importation.

But, apart from the limitations of time with respect to applications for refunds, the conditions under which refunds are granted are such as in many cases to render compliance with them impossible. The Committee abstain from remarking on the restrictions with which refunds are still hampered in Bombay as, in the reference made by this Chamber to the Government of India, already referred to,

His Excellency the Governor of Bombay in Council has expressed his desire to see the system in which the Municipal dues are levied divested, as far as possible, of anything that can give them the character of Transit Dues, and the Chamber hopes therefore that steps will ere long be taken to give effect to this opinion in regard to any articles that may yet be subjected to the payment of Town Duty. But in other Municipalities of this Presidency no such pledge has yet been given, and the difficulties and restrictions interposed in the granting of refunds give these duties the character of Transit Duties. In Kurrachee *three-fourths only of the Town Duty paid* are refunded on all goods or any portion of goods re-exported, if demanded within two years of the date of their importation, *provided they are in the original packing,* or can be identified to the satisfaction of the collecting authorities. The Kurrachee Chamber of Commerce, in a Memorial to His Excellency the Governor of Bombay, dated 16th October 1874, affirmed that from an intimate acquaintance with the trade in oilseed and wheat, nearly seven-eighths of the quantities brought into the town are exported; that grain is nearly all imported by native merchants who invariably take it to their own godowns before selling it to the exporting firms, finding it preferable to pay a commuted sum of half the Town Duty on arrival of the goods, and abandon all claim for refund, which, however, that Chamber considers could very seldom be obtained under the rules in force. Wool is all re-exported; but it becomes subject to the heavy Transit Duty levied upon it in consequence of the necessity of opening the bales in Kurrachee for the purpose of cleaning and preparing it for the Home markets. In Broach, the rule under which refund of Town Duty paid is obtainable requires the merchant to give notice to the Municipal authorities, within twenty-four hours of the arrival of the goods, that the same are intended for exportation within fifteen days, and that the invoices or other papers relating to the same be duly *viséd* by a duly appointed officer; but if the merchant, or other person concerned, break bulk, he is not entitled to any drawback whatever. In Belgaum, imported goods that may be intended for transmission to other places are, on entering a gate of the town, to be "reported to the Nakedar, and the boxes, bags, "or bundles, containing such goods, shall be marked by "him, and a refund of the import tax shall be allowed if

"application be made within seven days from the date of "importation, and if the Municipality is satisfied that the "goods are about to be exported."

In connection, moreover, with the present system of levying Town Duties in the Mofussil, the Committee of the Chamber beg to bring to the notice of His Excellency the Governor in Council that, in some of the Municipalities, in Surat for instance, and sometimes in Tanna, the right of levying these duties and other taxes is farmed out for lump sums, which leads to oppression being practised by the contractor on the ignorant trader.

The Committee of the Chamber, in thus pointing out the evils of the present system of Municipal taxation in this Presidency, desire to guard against the supposition that the mere removal of Transit Duties, or of Town Duties having directly the character of Transit Duties, would be sufficient to relieve the general trade of the Presidency of the depression under which it has for some years been labouring, and to which the operation of the Transit and Town Duties now levied has in a great measure contributed. They believe that all Transit and Town Duties are alike injurious to the general trade, and to the towns immediately affected, and that, as all experience has shown, such Duties are "not "capable of effectual remedy by any contrivance of bonded-"warehouses or drawbacks." They would here particularly crave the attention of His Excellency in Council to the Resolution of the Government of India, already mentioned, which has accurately defined the principles, and almost exhausted the whole subject of Municipal taxation. In para. 4 of that Resolution, the Government of India proclaimed that it had reason to believe that the sound principles therein laid down—the truth of which had been established by the prolonged experience of those countries of Europe in which Octroi Duties form commonly a source of Municipal revenue—had been frequently lost sight of, and that to meet the burden of an annually increasing expenditure upon police, education, or sanitary improvements, a wide-spread system of taxation had been introduced, injurious to interests on which the burden in a great measure fell, and standing in the way of the proper development of the commerce of the country. "It is to little purpose," said His Excellency the Governor General in Council, "that the Imperial

"Government reduces or abolishes customs duties in the "interest of trade, if Municipalities are permitted to levy "duties on articles of commerce passing through their "limits."

After enunciating the principles of Municipal taxation His Excellency the Governor General in Council concluded the Resolution by prescribing certain rules for general adoption, requesting that the existing practice might be brought into conformity with them, and that they might not be deviated from without the previous sanction of the Government of India. By rule I. it was laid down that, subject to the limitations contained in rule II. no Town Duty or cess under any name should be levied by any Municipal body on any commodity not included in the following list, viz. :—

(1)—Articles of food or drink for men or animals ;
(2)—Animals for slaughter ;
(3)—Articles used for fuel, for lighting or for washing ;
(4)—Articles used in the construction of building ;
(5)—Drugs, gums, spices, and perfumes ;
(6)—Tobacco ;

by rule II., that no such duty should be levied on any of the following articles, &c. :—

(1)—Articles liable to customs duty and imported into India by sea ;
(2)—Salt ;
(3)—Opium ;
(4)—Fermented or spirituous liquors manufactured in India, and drugs liable to excise or Abkaree Duty,

and by rule III., that no such Duty should be levied except on things brought into a town for actual use or consumption therein.

To illustrate the severity with which the Transit and Town Duties now levied fall upon trade—more particularly with respect to articles which have already borne an imperial customs duty—the Committee have selected a few of the articles enumerated in the enclosed statement, and the rates of duty levied on them, and to these they respectfully request the attention of His Excellency. These articles are as follows, viz. :—

Bombay :—

Tobacco duty Rs. 7-8-0 per maund equal, on the lower kinds to about 20 per cent., or four times the imperial customs' duty.

Metals—1 per cent. duty.

Kurrachee :—

Wheat—1 anna per maund duty, equal to 2½ to 3 per cent. of the value.

Wool—2 annas per maund duty, equal to 1 to 1½ per cent. of the value.

Copper and Brass—1 per cent. duty.

Surat :—

Yarn—Re. 1 per maund duty, equal to 3 to 3½ per cent., or about the same as the imperial customs duty.

Copper—Re. 1 per Surat maund of 38 lbs. equal to 5 per cent. on the value, or the same as the imperial customs' duty.

Iron—3 annas per Bengal maund duty, equal to 5 per cent. of the value.

N.B.—The Municipality has entered the duty on Iron in its Return to the Chamber at 3 annas per Bengal seer, which is evidently a mistake.

Ahmedabad—

Yarn—Rs. 2 per Indian maund duty, equal to 6½ per cent. of the value, or nearly twice the imperial customs duty.

Piece Goods—1½ per cent. duty.

The Committee can only express their regret that the present injurious system of Municipal taxation by the Bombay Municipality, and the Municipalities of the Mofussil of this Presidency, should ever have been permitted, and that the sound principles, and the excellent rules laid down by the Government of India in the Resolution of 1868, were not from the first adopted. No imposts, it is true, are more popular than Transit and Town Duties among the owners of property, and the more influential classes in towns, for by means of these duties they escape from the taxation which should properly fall upon themselves. But when such a system exists, the real injury that is being inflicted on general interests is overlooked, and the community suffers by the decline of its commerce which seeks other channels in which

it meets with fewer impediments. No Town or Transit Duties are imposed in Calcutta, where the town conservancy moreover compares favourably with that of Bombay, nor is there any duty levied on imported tobacco other than the Imperial customs duty.

The Committee of the Chamber desire me to express the hope that His Excellency in Council will be pleased, in accordance with the views expressed by His Excellency in transmitting the Chamber's letter of the 30th November last to the Government of India, to take steps to abolish all Transit Duties, or Town Duties having the character of Transit Duties, levied either by the Municipality of Bombay or by any of the town or district Municipalities in this Presidency. And they also pray that His Excellency in Council will be pleased to avail himself of the present opportunity to review the whole system of Municipal taxation in the Presidency, and to confine the imposition of Town Duties, in accordance with the principles and rules laid down by the Government of India, to a few articles of local consumption, such as ghee, firewood, fruit, vegetables, fowls, eggs, and animals for slaughter, which do not enter into the general trade of the country.

In conclusion, I am directed respectfully to request that His Excellency in Council will do the Committee the favour to transmit a copy of this letter, and of the statement which accompanies it, to the Government of India, for the consideration of His Excellency the Governor General in Council. With reference to para. 2 of the Resolution of the Government of India No. 79, dated 20th September last, they most humbly vanture to suggest that there can be no more fitting opportunity than the present when the "Bombay Municipal Act of 1872" is expiring, to reconsider the principles of the Municipal taxation of the City of Bombay.—I have, &c.,

J. GORDON, Secretary.
J. A. FORBES, Chairman.

MUNICIPALITIES OF THE TOWN OF BOMBAY, AND OF TOWNS OR DISTRICTS IN THE MOFUSSIL OF THE BOMBAY PRESIDENCY.

Statement showing the Municipal Revenues, the amount received from Octroi or Town Duties, and the principal articles, which enter into the general trade of the country, on which Town Duties are levied.

Principal articles entering into the general trade of the country on which Town Duties are levied.	Rate of Duty levied on these articles.	Remarks by the Committee of the Bombay Chamber of Commerce.
BOMBAY MUNICIPALITY.—*Total Revenue, Rs.* 29,75,731; *Amount of Revenue derived from Town Duties, Rs.* 4,97,506—		
Grain of all sorts ...	4 annas per candy of 712 lbs.	Refund is allowed on articles exported if claimed within one month from the date of exportation
Metals, except Gold and Silver, Iron and Steel ...	1 per cent. on tariff value	In addition to the Municipal Town Duty of Rs. 7-8-0 per maund on Tobacco, this article is subject to an imperial import duty of 10 per cent. *ad valorem*. The Municipal Duty is equivalent—on the lower and cheaper kinds of Tobacco—to about twice the amount of the imperial duty.
Wines and Spirits ...	4 annas per gallon	Nominally no Transit Duties are levied by this Municipality, but the restrictions on granting refunds have to a great extent the effect of converting the Town Duties into Transit Duties.
Beer	6 pies per gallon	
Tobacco	Rs. 7-8 per maund of 82 lbs.	
KURRACHEE MUNICIPALITY.—*Total Revenue, Rs.* 2,23,822; *Amount of Revenue derived from Town Duties, Rs.* 1,89,0[illegible]—		
Cotton	4 annas per bale	The restrictions imposed on refunds of Town Duties levied by this Municipality are such as practically to convert them into Transit Duties
Flax	2 do. per maund of 82 2-7 lbs.	By the Municipal Rule 107 B, three-fourths only of the Town Duty paid shall if, demanded, be refunded on all goods or any portion of goods re-exported within two years from the date of their importation, provided they are in the original packing, or can be identified to the satisfaction of the collecting authorities.
Hemp		
Jute		

Wool	2 do. do. do. ...	... This Municipality does not profess to levy taxes direct on goods in transit, with the exception of cotton but the restrictions are such as to leave the
Grains	1 do. do. do. ...	... levying of such taxes entirely to the discretion of the collecting authorities. Rule 107 A runs thus:—
Oil and Cotton Seeds ...	1 do. do. do. ...	... "No duty shall be levied on goods re-exported within ten days from the date of their passing through the Custom House, or their leaving the
Gunny Bags	Rs. 2 per bale not exceeding 300 pieces	... Railway Godown, provided the collecting authorities have been satisfied at the time of their arrival that they are in transit, and provided also a
Gunny Cloths	Re. 1 per bale...	... certificate of exportation within ten days, is produced from the collector, at the Custom House, or the Railway, as the case may be. But the collecting authorities, when they deem it advisable or necessary, may require any importer of goods in transit to deposit the full amount of the duty, which, however, will be refunded, if demanded on production of the above certificate."
Piece Goods (including Twist, Twine, Canvas, Millinery, Hosiery, Haberdashery, and all kinds of Silk and Woollen Cloths) ...	Rs. 2 per case or bale	... None of these Rules apply to cotton, on which no refund is given.
Country Cloth of all descriptions	8 annas per bundle or package ...	... In 1874, a scheme for supplying water to Kurrachee was resolved upon by the Municipality and sanctioned by the Commissioner in Sind. Although
Rope, English, Manilla ...	8 do. per cwt.	... the population is 50,000, and Government would derive great benefit from this scheme, it was proposed to defray the cost of it by a considerable
Silk...	1 do. per lb....	... further increase of Town Duties, the enhancement amounting in most instances to one-third of the present rates. As an illustration of the manner
Copper and Brass Manufactures	Rs. 2 per cwt....	... in which trade is made to bear all Municipal burdens, it may here be observed that the Commissioner had, on a previous occasion, stated
Copper and Brass Sheets ...	8 annas per cwt.	... that the various Government establishments could easily contribute Rs. 30,000 per annum, and that
Cutlery		even then Government would be a gainer; but subsequently, while admitting the benefits which
Hardware	Rs. 2 per case...	... Government would derive from the improved and increased supply of water, he reduced the proposed contribution to Rs. 5,000 on the ground
Ironmongery		that Government was helping the Municipality by granting a loan at a lower rate of interest than could be obtained in the market, and on very favourable terms. The Government of

Principal articles entering into the general trade of the country on which Town Duties are levied.	Rate of Duty levied on these articles.	Remarks by the Committee of the Bombay Chamber of Commerce.
KURRACHEE MUNICIPALITY.—*Continued.*		India has in recent years adopted the liberal policy of granting loans to Municipalities at rates of interest slightly over the rates at which it can borrow, without requiring any indirect advantages. The Kurrachee Chamber of Commerce, in a Memorial to the Governor of Bombay, dated 16th October 1874, protesting against this proposal, pointed to a few articles as exemplifying the pressure of the duties levied upon them as goods in transit, since they are not even largely used in the Town. The Chamber particularized Grain, Oilseeds, and Wool. The duty of 1 anna per maund, or 8 annas per candy of 656 lbs., amounts to about 3 per cent. on the value of Wheat, being equivalent to the export duty which, in January 1873, the Government of India considered it advisable to abolish. The Chamber affirms that, from an intimate acquaintance with the trade in Oilseeds and Wheat, nearly seven-eighths of the quantities brought into the town are exported. Were there liberal rules for drawback, exporters might recover at times the Town Duties paid, but grain is nearly all imported by native merchants, who invariably take it to their own godowns before selling it to the exporting firms, finding it preferable to pay half the Town Duty which they are allowed to commute for on arrival and abandon all claim for refund, but which that Chamber considers, could very seldom be obtained under the Rules in force Wool is all re-exported, but it becomes subject to the heavy transit duty levied upon it in consequence of the necessity of opening the bales in Kurrachee for the purpose of cleaning and preparing it for the home markets. To the Municipal revenue for 1875, Town Duties contributed Rs. 1,88,058, or 84·467 of the entire revenue; House Tax, which is levied at the rate of 2 per cent. annually on the assessed rent, Rs. 6,810 or 3·042; Wheel Tax, Rs. 2,544 or 1·136; and Market Rents, Rs. 6,145 or 2·299; the remainder being derived from other sources.
Iron, of all kinds, except Sheet Iron	1 anna per cwt.	
Sheet Iron...	2 do. do.	
Steel		
Spelter		
Lead, Tin, Tinplates, &c...		
Hides	Re. 1 per corge of 20 hides	
Saltpetre	2 annas per maund	
Skins	2 do. per corge of 20 skins	
Dyes, Cochineal ...	Rs. 4 per maund	
Indigo	Re. 1 do.	
Safflower	„ 1 do.	
Tobacco, Country ...	„ 1 do.	
Do. Foreign ...	1 anna per lb.	

SURAT MUNICIPALITY.—*Total Revenue, Rs.*2,46,549; *Amount of Revenue derived from Town Duties, Rs.* 1,00,000 *estimated*—

Cotton Yarns—						
Yarn, Europe ...	Rs.	1	0	0	per Bengal maund, viz., 82 2/7 lbs.	...
„ Dyed	„	1	4	0	do. do.	...
Thread, Bundles of ...	„	1	10	0	do. do.	...
Silk, including Thread and Yarn—						
Soocturfenee, Aval, &c. ...	„	0	8	0	per Bengal seer of 2 2/35 lbs.	...
Charum, Korda, &c. ...	„	0	6	0	do. do.	...
Punjum, all sorts ...	„	0	2	0	do. do.	...
Kacha, Koocha or refuse.	„	0	0	6	do. do.	...
Copper, Manufactured or Unmanufactured, except utensils in actual use ...	„	1	0	0	per Surat maund of 38 lbs.	...
Iron	„	0	3	0	per Bengal seer ...	...

The Town Duties are, along with other taxes, farmed out, which leads to oppression being practised by the contractor on the ignorant trader.

The whole duty is refunded if the articles named are exported within eight days from the date of importation.

Town Duty is levied on yarn spun by Indian mills, but not on hand-spun yarn made in villages, nor on cotton cloth or piece-goods, either of Europe or country manufacture.

No regular Transit Duty is imposed by this Municipality except on spirits manufactured at the Government Distillery, from which Rs. 11,000 annually is received. But as refunds are only granted on articles which are exported within the short space of eight days from the date of importation, Town Duties paid on articles exported must, in the majority of cases, be in reality Transit Duties.

BROACH MUNICIPALITY—*Total Revenue, Rs.* 119,890; *Amount of Revenue derived from Town Duties, Rs.* 29,955—

Brass, wrought and unwrought	Rs.	0	8	0	per Broach maund of 40 lbs.	...
Copper do. do. ...	„	0	8	0	do. do.	...
Bell-metal do. do. ...	„	0	8	0	do. do.	...
Iron, wrought & unwrought, including machinery ...	„	0	1	0	do. do.	...

No claim for drawback on exportation is admitted unless made within fifteen days from the date of importation.

The rules under which drawback on goods imported for transit through Broach is allowed are so stringent as in reality to render the duties levied Transit Duties. The following is one of the rules:—"Every merchant importing goods for "transit through Broach shall give notice to the "Municipal authorities within twenty-four hours "of arrival of said goods, articles, or merchandise, "and that the same are intended for exportation "within fifteen days, and that the invoices or other "papers relating to the same be duly vised by the "Secretary, or other duly appointed officer, but "if the merchant or other person concerned break "bulk, he or they shall not be entitled to any "drawbacks whatever."

In addition to the Town Duties, the following Transit Duties are levied:—(1.) All conveyances going out of Municipal limits, whether laden or empty, are charged three pies each. (2). All carts conveying bales of cotton to railway station two annas per cart. These taxes are levied in addition to the Ordinary Municipal Wheel Tax.

Principal articles entering into the general trade of the country on which Town Duties are levied.	Rate of Duty levied on these articles.	Remarks by the Committee of the Bombay Chamber of Commerce.

AHMEDABAD MUNICIPALITY.—*Total Revenue, Rs.* 280,140 ; *Amount of Revenue derived from Town Duties, Rs.* 184,131—

Brass, unwrought ...	Rs. 0 12 0 per Bengal maund of 74⅔ lbs. ...	The Town Duties levied on the articles enumerated are refunded if the articles are exported within one month from the date of importation
Iron do. ...	„ 0 2 0 do. do. ...	
Copper do. ...	„ 1 0 0 do. do. ...	The duty on yarn, it will be observed, is, on the basis of 16s to 20s, at six annas per lb., no less than 6¼ per cent.
Articles of Copper, Brass, Zinc, and Copper-brass ...	„ 1 8 0 do. do. ...	In addition to these Duties, the following taxes termed "Tolls," but which are in reality Transit Duties, are levied in addition to the Municipal Wheel Tax :—
Yarn, except hand-spun country	„ 2 0 0 per Indian maund of 82 2/7 lbs. ...	On carts laden on entering the city, two annas per grain cart
Yarn, Dyed	„ 2 8 0 do. do. ...	On all other laden carts, one anna per cart.
Thread, Bundles of ..	„ 3 0 0 do. do. ...	On laden camels passing through the gates, three pies each
Piece Goods, Europe and country cloths ...	„ 1 8 0 per cent. on declared value ...	On bullocks and tattoos laden, two pies each.
Cochineal in box and tub ...	„ 2 0 0 per Indian maund of 82 2/7 lbs. ...	On donkeys laden, one pie each.
Silk, Sooterfenee, Chinaee ...	„ 0 8 0 per Indian seer of 2 2/35 lbs. ...	
„ Second sort ...	„ 0 6 0 do. do. ...	
„ Singapore	„ 0 4 0 do. do. ...	
„ Punjum and Khoree ...	„ 0 2 0 do. do. ...	
„ Koocha or refuse ...	„ 0 0 6 do. do. ...	

NASSICK MUNICIPALITY.—*Total Revenue, Rs.* 40,284 ; *Amount of Revenue derived from Town Duties, Rs.* 13,000—

	Per cart load with 2 bullocks or per camel load.			Per bullock, buffalo, tattoo, or horse load.			Per ass load.			Per man's head load.			
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	
Brass and Copper ...	5	0	0	1	0	0	0	8	0	0	4	0	No refund of Town Duties is allowed on articles subsequently exported. The Collector remarks that as Nassick is not a trading town, and as through traffic keeps along the high road outside the town, this is a matter of no importance. No doubt this is true on the bulk of the goods entering Nassick, but the refusal to grant refunds converts the Town Duties into Transit Duties on such goods as are sent to Nassick for sale, but are re-exported because of there being no market for them in Nassick.
Zink, Iron, Lead, and other metals	2	0	0	0	8	0	0	4	0	0	2	0	
Silk, Cotton, and Woollen Manufactures ...	5	0	0	1	0	0	0	8	0	0	4	0	
Grain of sorts	0	4	0	0	1	0	0	0	6	...	..		

POONA MUNICIPALITY.—*Total Revenue, Rs.* 114,491 ; *Amount of Revenue derived from Town Duties, Rs.* 80,100—

	Per gara or bundee.	Per gara with 4 bullocks.	Per cart with 2 bullocks.	Per camel load.	Per Bullock and buffalo, mule or tattoo load.	Per donkey load.	
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	
Wheat, Grain, and Seeds of kinds	1 0 0	0 12 0	0 8 0	0 4 0	0 3 0	0 1 0	No drawback is allowed on articles imported into the town and subsequently exported. As no drawbacks are allowed, the duties paid as Town Duties on articles imported and subsequently exported are Transit Dues.
Dyes, Galls, Safflower, Cochineal, &c. ...	4 0 0	2 8 0	2 0 0	1 0 0	0 12 0	0 4 0	
Hemp and Flax ...							
Aloe Fibre							
Coir							
Gunny Paut							
Twine							
Wool							
Country Twist ...							
Woollen Thread ...							
Camblees and Country Blankets	3 0 0	2 0 0	1 8 0	0 12 0	0 8 0	0 3 0	
Country Piece Goods ...							
Europe Twist ...							
Woollen Carpets ...							
Cotton Carpets ..							
Cloth Umbrellas ...							
Europe Piece Goods ...							
Raw Silk							
Silk Cloth							
Shawls							
Gold Lace Thread ...							
Iron, Lead, Zinc, Tin, Steel, Ironware	2 0 0	1 8 0	1 0 0	0 8 0	0 6 0	0 2 0	

POONA MUNICIPALITY.—*Continued.*

Principal articles entering into the general trade of the country on which Town Duties are levied.	Rate of Duty levied on these articles.												Remarks by the Committee of the Bombay Chamber of Commerce.
	Per gara or bundee.			Per gara with 4 bullocks.			Per cart with 2 bullocks.			Per camel load.			Per bullock and buffalo, mule or tattoo load.			Per donkey load.			
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	
Brass, Bell-metal, Quicksilver, Copper, Cuttlery, Padlocks, &c., Copper and Brassware	5	0	0	3	0	0	2	8	0	1	4	0	0	12	0	0	4	0	
Raw Hides ... ... } Tanned Hides ... }	3	0	0	2	0	0	1	8	0	0	12	0	0	8	0	0	3	0	

SHOLAPOOR MUNICIPALITY.—*Total Revenue*, 53,450; *Amount of Revenue derived from Town Duties*, *Rs.* 34,691—

	Per cart load with 4 bullocks.			Per cart load with 2 bullocks.			Per bullock or buffalo load.			Per tattoo load.			Per ass load.			Per camel load.			Per man's head load.			
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	
Jawarri	0	4	0	0	2	0	0	0	6	0	0	6	0	0	3	0	1	0	0	0	3	No refund of duty paid is allowed on articles re-exported, and the duty paid on such articles is therefore a Transit Duty.
Grain, Wheat, Seeds ...	0	8	0	0	4	0	0	1	0	0	1	0	0	0	6	0	2	0	0	0	6	
Bhooeemoog Seed, Husked Rice, Hides	0	12	0	0	6	0	0	1	6	0	1	6	0	0	9	0	3	0	0	0	9	
Copper, Iron, Brass, Tin, Zinc, and other metals ...	1	8	0	0	12	0	0	3	0	0	3	0	0	1	6	0	6	0	0	1	6	
Country Thread, Cotton, and other fabric of every description	3	0	0	1	8	0	0	6	0	0	6	0	0	3	0	0	12	0	0	3	0	
Woollens of sorts, Europe Thread	6	0	0	3	0	0	0	12	0	0	12	0	0	6	0	1	8	0	0	6	0	
Silk, Silk Cloth, Indigo ...	12	0	0	6	0	0	1	8	0	1	8	0	0	12	0	3	0	0	0	12	0	
Shawls—2 rupees each ...																						

AHMEDNUGGUR MUNICIPALITY.—*Total Revenue, Rs.* 40,365; *Amount of Revenue derived from Town Duties, Rs.* 10,707—

Grain	2 annas per cart load	Town Duties are imposed upon all articles brought into the Town, whether for consumption or sale. No drawback is allowed on articles re-exported and the duties paid on such articles are, therefore, Transit Duties.
Piece Goods, Iron, and all articles except Fuel, Fodder for cattle except Grain, Tiles, Bricks, Baskets, Stones, Chunam, Limestones, Salt, Vegetables, and Fruits of all sorts excepting Betel Leaves, Empty Casks, Bottles, Gunnies, and Earthen Pots, Tents and Rahootees, and Furniture when not bought for sale	12 annas per cart load	

SATTARA MUNICIPALITY.—*Total Revenue, Rs.* 28,231; *Amount of Revenue derived from Town Duties, Rs.* 18,055—

	Per cart load.			Per camel load.			Per bullock, buffalo, mule or tattoo load.			Per ass load.			Per head load.			
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	
Grain	0	6	0	0	4	0	0	1	6	0	1	0	0	0	6	No refund of Town Duties paid is allowed on articles re-exported, and the duties paid on such articles are therefore Transit Duties.
Hides and Horns of sorts ...	2	4	0	1	12	0	0	9	0	0	5	0	0	3	0	
Metals of sorts	2	4	0	1	12	0	0	9	0	0	5	0	0	3	0	
Cotton Ropes, Twine ...	1	8	0	1	2	0	0	6	0	0	3	0	0	2	0	
Coir, Flax, Ghayal, Hemp, Ambody, &c., whether manufactured into Ropes or otherwise	0	3	0	0	2	0	0	0	9	0	0	6	0	0	3	
Oil Seeds of sorts ...	0	8	0	0	6	0	0	2	0	0	1	0	0	0	9	

Principal articles entering into the general trade of the country on which Town Duties are levied.	Rate of Duty levied on these articles.	Remarks by the Committee of the Bombay Chamber of Commerce.
SATTARA MUNICIPALITY.—*Continued.*		
Cotton and Wool 6 annas per bale		
Cotton Twist and Thread Re. 1 per bale ..		
Silk Thread 2 annas per seer of 2 2/35 lbs		

BELGAUM MUNICIPALITY.—*Total Revenue, Rs.* 18,815; *Amount of Revenue derived from Town Duties, Rs.* 12,000—

	Per cart load of two bullocks. Rs. a. p.		Per bullock load. Rs. a. p.	Remarks by the Committee of the Bombay Chamber of Commerce.
Cotton Ropes	0 6 0	.....	0 1 6	Refund of duty levied on articles imported, intended for transmission to other places, is allowed under Rule 2, viz.,—"All imported goods, that "may be intended for transmission to other places, "shall, on entering a gate of the town, be reported "to the Nakedar, and the Boxes, Bags, or Bundles, "containing such goods, shall be marked by him, "and a refund of the import tax paid shall be "allowed if application be made within seven days "from the date of importation, and if the Muni- "cipality is satisfied that the goods are about to be "exported." The duties, then, levied on articles subsequently exported are in reality Transit Duties for it would be hardly possible to comply with such conditions, and the Committee can quite comprehend the Collector's remark that no instance has occurred in which drawback was claimed on articles imported into the town but subsequently exported.
Coir and Coir Ropes, Hemp and Hemp Ropes, Flax and Flax Ropes	0 4 0	.....	0 1 0	
Cotton Goods, European and Country, including Bombay made	1 8 0	.....	0 6 0	
Woollen do. Boornoos, Cumblees, Wool	0 4 0	.....	0 1 0	
Shawls, Woollen Carpets, Country (Galleechay) ...	2 0 0	.....	0 8 0	
Silk Cloth of various kinds, country, including Bombay made	2 0 0	.....	0 8 0	
Yarns and Twist (Cotton, Silk, &c.), Raw Silk ...	1 0 0	.....	0 4 0	

Cotton Tape (Kachay Pudum)	0	4	0	.....	0	1	0
Indigo	4	0	0	.....	1	0	0
Other Dyes	0	8	0	.....	0	2	0
Tanned Hides	0	8	0	.....	0	2	0
Horns and Hides ...	0	6	0	.....	0	1	6
Copper	1	8	0	.....	0	6	0
Tin and other metals not specified, except Gold or Silver	1	0	0	.....	0	4	0
Iron	0	8	0	.....	0	2	0
Oils...	1	0	0	.....	0	4	0
Grain, Wheat, &c. ...	0	8	0	.....	0	2	0
Oil Seeds	0	6	0	.....	0	1	6

TANNA DISTRICT MUNICIPALITY, *including the Municipalities of Tanna, Kallian, Bhewndy, Bassein, Kelwi-Mahim, Dhanoo, Panwell, Oorun—Total Revenue, Rs.* 56,569; *Amount of Revenue derived from Town Duties, Rs.* 20,844—

Iron, Tin, and Lead ...	In Dhanoo, 6 pies per maund of 28 lbs. ...	No drawback is allowed on articles imported into the town but subsequently exported, and the duties paid on such articles are therefore Transit Duties.
Do. do. do. ...	In Bassein, Re. 1 per candy of 746 lbs. ...	
Iron	In Kelwi-Mahim, 1 anna per maund	The right of levying Town Duties is sometimes farmed for lump sums along with other taxes.
Copper, Brass, Zinc ...	In Dhanoo, 4 annas per maund	
	In Bassein, 4 do. do.	
Coir	In Dhanoo, 1 anna and 6 pies per maund ...	The tax on cloth is levied on all sorts of cloth, including Piece Goods: there is no duty on twist.
	In Bassein, 1 anna per maund	
	In Kelwi-Mahim, 1 anna per maund	
Cloth	In Kelwi-Mahim, 2½ per cent. ad valorem ...	
	In Dhanoo, 1 per cent. ad valorem	

J. A. FORBES, Chairman.

J. GORDON, Secretary.

Bombay, 14th October 1875.

Extracts from the address of the Bombay Chamber of Commerce to His Excellency the Viceroy, presented at Bombay, on the 6th November 1875, *and from His Excellency's reply.*

Extract from the Address.—Another subject of very great importance to the mercantile interests of this Presidency—the Transit and Town Duties which are levied by the Municipality of Bombay, and by nearly every Municipality in this Presidency, to the great injury of trade—has for some time been engaging the attention of the Chamber. After collecting a great deal of information, we find that, in opposition to the well-recognised principle that articles of commerce which have once paid an imperial customs duty should be subjected to no other local or inland duty, a widespread system of taxation has been introduced into the Municipalities in this Presidency, standing in the way of the development of its commerce. The Town Duties levied by some Municipalities—at Ahmedabad, for instance, the duty on yarn is 6½ per cent. *ad volorem*—exceed the imperial customs duties which the articles have already borne. On the 26th October last, we submitted a representation on the whole subject to the Government of Bombay, and requested that it should also be forwarded to the Government of India for your Excellency's consideration. In Calcutta, under a more enlightened system, no Transit or Town Duties are permitted, and we believe that to the circumstance of their being levied in this Presidency, combined with the delay in the construction of the West Rajpootana Railway, is the serious depression, from which the trade of Western India has for some years been suffering, mainly attributable. All that we pray for in our representation is that the excellent principles and rules of Municipal taxation laid down by the Government of India, in its Resolution dated 14th November 1868, should be strictly adhered to ; and we earnestly hope that your Lordship will take steps to put a stop to the present injurious system on the earliest opportunity, and to prevent any departure from those principles and rules, either by the Municipality of Bombay, or of any Town or District in this Presidency.

Extract from His Excellency's Reply.—The Chamber has made some remarks about Municipal duties in the Bombay Presidency. That is a matter which rests with the Govern-

ment of Bombay, and I have no doubt that His Excellency the Governor of Bombay will give every consideration to any representations that may be made by the Chamber of Commerce on the subject of these duties. The whole question of octroi duties is one of considerable difficulty and no little importance. Of course, if an octroi duty becomes a transit duty—that is, if it becomes a tax upon the trade that passes through the town—instead of upon articles consumed in the town it becomes objectionable and ought not to be allowed to remain. If, on the other hand, the octroi duty is simply a duty upon article consumed in the place where it is levied, I am satisfied that in many parts of India it is the best form of taxation for municipal and local purposes. The reason why these octroi duties are not levied in the Bengal Presidency is that there are very few large towns in Lower Bengal. The Bengal towns are more like enormous villages than the towns either of the N. W. Provinces or the Bombay Presidency, so that without an extensive cordon, which would be very objectionable, it is impossible to levy an octroi duty in most of the towns of Bengal. In the N. W. Provinces, where a great deal of attention has been paid to the subject, I believe there is very little objection to octroi duties. Calculations have been made there of the average consumption by the people of different articles that pay octroi and the receipts from the duties levied upon these articles, and the result has been to show that the tax is mainly levied upon articles actually consumed within the towns. Every facility is at the same time given to relieve goods passing through towns from taxation by means of bonded warehouses and otherwise. In the Punjab the practice is much the same. I have no papers before me connected with the octroi duties of this Presidency; but I have no doubt that the considerations attended to elsewhere will also be attended to in this Presidency. I do not think I quite agree with the Chamber in saying that under no circumstances should an octroi duty be levied upon articles that have paid Customs duties. Our Customs tariff is very low, and many articles can undoubtedly afford to pay octroi; but the great principles to be borne in mind are that an octroi duty should be small and that it should never be allowed to operate as a transit duty. This octroi duty is connected with the gene-

ral question of direct and indirect taxation. Of course theoretically it is better and cheaper to have direct taxation; but when we come to deal with human beings it has been recognised in almost all countries of the world that it is best to raise a part of the revenue from indirect duties. These considerations are probably of greater importance in India than in England, because here we have to deal with a people who are exceedingly averse to change, and especially to changes of taxation. If the octroi duty is low, carefully watched, and well administered, it is by no means an objectionable form of taxation for local purposes. These are the general views which I have formed from the information I have obtained regarding octroi duties in other parts of India than this Presidency.

APPENDIX L.

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COTTON FRAUDS ACT.

No. 6504 of 1875.

REVENUE DEPARTMENT,
BOMBAY CASTLE, *20th November* 1875.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—I am directed to forward for the information of the Chamber of Commerce, the accompanying copy of the Annual Administration Report of the Cotton Department for the year 1874-75 and of the Resolution No. 6502 of this date passed thereon by Government.—I have, &c.

D. MACKENZIE,
Acting Secretary to Government.

No. 6502 of 1875.

REVENUE DEPARTMENT,
BOMBAY CASTLE, *20th November* 1875.

Letter from the Acting Inspector-in-Chief, Cotton Department, No. 277, dated 4th October 1875—Forwarding copies of the Annual Report of the Cotton Department for 1874-75.

RESOLUTION.—This report has been carefully prepared and is interesting and valuable.

2. The total area cultivated with cotton during the year under report in the provinces to which this report applies is estimated at 4,206,267 acres, and the yield at 1,948,293 cwts. of clean cotton. As compared with the average of the preceding 4 years, these figures give an increase in cultivation of 396,559 acres and of 97,661 cwts. in yield, but the cultivation has decreased by 36,554 acres and the yield by 97,081 cwts. as compared with 1873-74.

3. The decrease of cultivation has taken place in Native States to the extent of 87,655 acres, and this appears to have been due almost entirely to a bad season in the province of Cutch, where the decrease was 79,000 acres. In British Territory there was an

increase of 61,135 acres in the Southern Division and Sind against a decrease of 10,034 acres in the Northern Division, due to a bad season in Khandesh.

4. The cultivation of exotic cotton has everywhere diminished, to the extent of 83,000 acres. The greater portion of this decrease has occurred in the Southern Maharatta Country, where chiefly exotic cotton is grown, and it is attributed to the very bad reputation the 'Dharwar Saw-ginned American' cotton is getting from deterioration of seed and the injury done to the staple by saw-gins out of repair. This subject has already been specially reported to and considered by Government. It may be noticed here that according to the returns almost all exotic cotton is grown in Khandesh or the Southern Maharatta Country, there being 600,000 acres of exotic in the former and 300,000 acres in the latter province. The Khandesh Hingenghat, however, though exotic to the province, is not exotic to India, while the Dharwar American is really exotic.

5. The season was not generally favourable to cotton cultivation, the crop having suffered from floods in Sind, from excessive rain in the Southern Maharatta Country, and from want of rain in Khandesh. The general estimated yield however diminished little, being 52 lbs. of clean cotton per acre against 54 lbs. in 1873-74. The crop, especially in Khandesh and Broach, was of good quality, and adulteration is said to have been much less than in previous years.

6. The total quantity of Cotton received in Bombay was 1,315,924 bales, or 59,417 bales more than in the previous year, and the increase would have been considerably greater had it not been for the lateness of the Southern Maharatta Country crop. Of the quantity received in Bombay 1,264,529 bales were exported, leaving 51,395 bales for local consumption. Mr. Turner estimates that the Bombay Spinning and Weaving Mills really used about 100,000 bales, the difference being drawn from last year's stock.

7. The export trade of the Presidency increased considerably:—

	Bales.	Value.
		Rs.
1872-73 ...	971,551	11,18,86,116
1873-74 ...	1,226,533	12,32,74,233
1874-75		
To United Kingom...	879,650	
To other Countries ...	449,219	
	1,328,869	13,15,18,294

8. Of the exports to places other than the United Kingdom, France took 19,200 bales, Trieste 1,04,000, Italy 33,000, and Russia 49 000 Average rates of freight fell from £2-11-7 per ton in 1873-74 to £2-4-4.

9. The number of Spinning and Weaving factories in the Presidency increased during the year from 22 to 40, and there are now 886,098 spindles, and 8,537 looms.

10. The use of English Machinery for cleaning cotton is extend-

ing, the number of steam gins having risen from 2,286 to 2,379 in British Districts. The increase has occurred in the Broach Collectorate. The number of steam gins in Native States is not accurately known, but is said to be increasing.

11. The practice of full-pressing up-country is extending, the number of bales full pressed in Bombay having fallen from 719,884 in 1873-74 to 707,205. In consequence, the number of half-presses has diminished from 222 to 198, and 4 full presses have been closed in Bombay. The total number of full presses now in British territory is 141 against 142 in 1873-74, but there are also a good many presses in Native States.

12. Some interesting experiments on cotton cultivation were carried on at the Sind Model Farm. The very large yield of 473 lbs. of clean indigenous cotton, was obtained from fields deep ploughed, watered and manured. It is reported that experiments have proved that American cotton can be successfully cultivated in Sind, but that at present there is no market for it. In Khandesh, Dharwar American cotton is becoming very popular among the cultivators, about 45,000 acres of land having been planted with this variety. It is believed that it will to a great extent displace Hingenghat cotton in Khandesh, as it is more productive and does not require to be picked at the time when the staple grain crop, jowari, is being harvested. At present, however, its price in Bombay is somewhat lower than that of Khandesh Hingenghat, owing, it is said, to deficiency in length of staple and to its containing much crushed seed. These defects are attributed to the manner in which the cotton was cleaned, and if so, they will doubtless be remedied.

13. Mr. Wilkinson directs attention to the deterioration of seed in Khandesh and recommends that depots for the storage and sale of selected seed should be established by Government. The objections to this proposal are obvious, but it is of so much importance that ryots should be able to procure good seed, that Government will further consider the suggestion, though without pledging themselves to approve it. Mr. Wilkinson should submit, through the Collector, details of the scheme he would recommend.

14. The working of the Cotton Frauds Act in the year under report appears to have been satisfactory. There were altogether 59 prosecutions under the Act, in 46 of which convictions were obtained. Mr. Turner's observations on this subject need not be noticed here, as the whole question relating to this Act is now under the consideration of Government; it may, however, be observed that Mr. Turner shows that in Native States measures for the protection of the cotton trade from fraud and adulteration are by no means unknown or inoperative.

15. The subject of Mr. Turner's 52nd para—the Broach practice of the traders combining to levy a tax on cotton transactions for certain religious or charitable objects, which Mr. Turner thinks should be put down by authority—has already been considered, and Government have been advised that the engagement entered into by the dealers could not be enforced by law, but that there is no law which prevents their entering into it and that the only effec-

tual remedy against such a combination is for those who object to it to combine against it. With this view Government entirely concur.

16. In his 24th and 25th paras. Mr. Turner comments on some of the discrepancies contained in various statements accompanying his report. These discrepancies are very serious.

17. The statement at para. 12 gives the estimated average yield per acre for each district. This estimate varies from lbs. 8·74 per acre in Akalkot to lbs. 287·19 in Hyderabad. Irrigation is probably the reason of a very large average yield in Sind, but the difference is incredible, especially as the yield in Kurrachee is put down at lbs. 40·83. Again, the average yield in Broach is put down at lbs. 60; in Baroda, a neighbouring and similar district, at lbs. 128. The Dharwar average yield is said to be less than 2/3rds that of Khandesh, and there are numerous similar discrepancies.

18. The total estimated crop of the Provinces reported on is given at 1,950,000 cwts. But not less than 4,451,000 cwts. were actually exported, and as it is stated (para. 24) that only one-fourth the cotton exported was produced beyond the limits of the Presidency, and as a good deal of cotton is everywhere consumed locally, it is perfectly clear that the estimates of average produce are much more than 50 per cent. too low.

19. Again, the estimated value of the season's crop of the Presidency is stated at £5,131,000. But the declared value of cotton exported alone (Statement C) is £13 151 000; deducting one-fourth for the value of cotton produced outside the Presidency, the value of the exported cotton alone of this Presidency is nearly £ 10,000,000, and to this sum must be added the value of the local consumption, 350,000 cwts. in Bombay alone.

20. Statement F again shows the average prices for the last three years of different varieties of cotton in Bombay and in Liverpool. According to this statement the average price of each variety has almost uniformly for the last three years been lower in Liverpool than in Bombay. Government are aware that the margin of profit on the export trade is now very small, but it is impossible to believe that this trade has gone on steadily and largely increasing for the past three years in the face of an enormous annual loss.

21. Government are fully aware of the great difficulty of framing estimates at all trustworthy of the yield of crops or even, except in British territory, of areas cultivated; and of obtaining approximately accurate results from such materials as are at Mr. Turner's disposal. But every effort must be made to improve the accuracy of the returns. The various Inspectors should be required to notice and explain in detail all striking discrepancies in the returns they submit; and the Collectors should call for further information on any points which may appear to them doubtful. Great care should be taken in framing estimates of cultivation (where, as in Native States, actual returns are not procurable), of yield, of values, &c., which the Chief Inspector in submitting his report should be very careful to notice, and as far as possible to elucidate all discrepancies and apparent errors.

22. The Administration of the Department during the year appears to have been satisfactory and the different officers to have performed their duties well and carefully.

23. Copies of this report should now be forwarded to the Secretary of State and to the Government of India with reference to their Resolution of 12th July last, and copies may also be sent to the Chamber of Commerce and placed on the Editor's table.

W. G. PEDDER,
Acting Secretary to Government.

Resolution of the Government of Bombay appointing Commissioners to enquire into the working of the Cotton Frauds Act IX. of 1863.

No. 1128 OF 1874.

REVENUE DEPARTMENT,
BOMBAY CASTLE, 3*rd March* 1874.

To the Hon. A. ROGERS, President, E. W. RAVENSCROFT, Esq., the Hon. NARAYEN WASSOODEO, H. P. LEMESURIER, Esq., and E. M. FOGO, Esq.

GENTLEMEN,—With reference to the Notification marginally noted, I am directed to request you will favour Government with your opinion on the following points:—

Notification dated 2nd March 1874.
His Excellency the Governor in Council is pleased to appoint a Commission composed of—
The Hon A. Rogers, President,
E. W. Ravenscroft Esq.,
The Hon. Narayen Wassoodeo,
H. P. LeMesurier, Esq., and
E. M. Fogo, Esq.,
to inquire into the working of the Cotton Frauds Act (Bombay Act IX. of 1863) with a view to advising Government as to the expediency of retaining the said enactment either in its present or in a modified form.
2. For the purpose of receiving evidence, the Commission will sit in the Durbar Room of the Town Hall. Merchants and all other persons interested in the question are invited to attend the meetings of the Commission for the purpose of giving such information as they may desire to communicate on this important subject.

1st.—Have adulteration and deterioration decreased since the Cotton Frauds Act came into operation? If so, are these results attributable to the Act?

2nd.—Is it advisable to continue by special enactment protection of Cotton from adulteration? If so, does the existing Act fulfil its object?

3rd.—If the Act is not sufficient to prevent adulteration, in what particular ought it to be amended?

4th.—Assuming a special law to be maintained, what establishment (and under what system of control) ought to be appointed to work it?

a.—At the Presidency.
b.—In the Mofussil.

2. All the records of Government bearing on the subject will be available for reference; and Major Moor and the officers of the

Department will be directed to wait upon you, and furnish you with whatever information you may call for, and any clerical assistance you may require.—I have, &c.,

F. S. CHAPMAN,
Chief Secretary to Government.

REPORT OF THE COMMISSIONERS.

The Commissioners appointed by Government Resolution No. 1128, of the 3rd March 1874, to inquire into the working of the Cotton Frauds Act (Bombay Act IX. of 1863) in this Presidency, have the honour to forward copies of the evidence taken before them on the subject, and to intimate that they have endeavoured to procure that of others interested in the trade both by personal solicitation and by the issue of notices in the public prints, but without result. Rather than delay their report any longer, therefore, they have considered it expedient to form their opinion on that already before them, and to submit it with diffidence for such consideration as His Excellency in Council may deem it worth. They would beg to mention as another reason for concluding their inquiries sooner than they would otherwise have thought advisable, that one of their number, the late Honourable Narain Vassudeo, has died, and another, Mr. LeMesurier, has gone home. The latter, however, has recorded his opinion in a memorandum which is attached to this report.

The evidence taken, as it were, on the official side was that of Major Moore V. C., Inspector in Chief of the Cotton Frauds Department, and of his subordinates, Messrs. Turner, Wilkinson, Walton, and Harrison. These gentlemen have all had great experience of the practical working of the Act both in the Presidency town, and in the mofussil, and have afforded the Commission valuable information relative to the whole of the Presidency with the exception of Sind. The general scope of their opinion is that much good has resulted from the operations of the department in checking adulteration, but that its efficiency would be greatly improved if the provisions of the Act were made more stringent, as well as in some respects clearer.

On the other hand, the evidence of the Honourable J. K. Bythell, a gentleman largely engaged in the purchase of cotton up-country and its export to Europe, is to the general effect that the operation of the Cotton Frauds Department are, if not positively injurious, at all events unnecessary, and that the trade can perfectly well take care of itself.

Mr. David Ellis, Manager of the Cotton Company at Broach, is in favour of the continuance of the Act, and even of making its provisions more stringent, because he thinks the Frauds Department has had the effect of putting a stop to the grosser kinds of adulteration with bricks, earth and rubbish, and because he finds it useful in his business to be able to threaten those who offer him adulterated cotton for sale with the visit of a Cotton Inspector if they will not agree to the reduced price which he will offer for such cotton.

Mr. Whittle, a Cotton Agent at Veerumgaum, in the Ahmedabad Collectorate, considers that the Act has done indirect good in preventing the increase of adulteration in Kattywar, but that it is unfair in its operation, in that it generally brings down punishment, not on the original perpetrator of the fraud but on his dupe, who by some trick of the trade has adulterated cotton thrust upon him. He is also of opinion that the subordinates of the Frauds Department have provoked active resistance which discretion would have disarmed, because their efforts have been directed more towards the punishment than the suppression of fraud.

Mr. Bechurdass Ambaidass, of Ahmedabad, a large dealer in cotton and a mill owner, is of opinion that the Cotton Frauds Department is quite unnecessary, and that adulteration of the staple can be put a stop to by the trade itself without its assistance by dealers simply refusing to buy an impure article.

The Commissioners fully recognise the principle that where the public can protect itself against adulteration practised by those engaged in it there is no necessity for the interference of the State It could only be the paramount national importance of preserving the good name of the great staple export of this country in the opinion of British and foreign manufacturers that would warrant the Legislature of India in the enactment of penal measures to assist the dealers in cotton in Bombay to do what there can be little doubt they could do for themselves as effectually in the long run, but possibly not with such promptitude as with the aid of a great State Department. The attention of the Commission has therefore been chiefly directed towards eliciting from the witnesses examined before them information on the point of whether the exporters of cotton were or were not in as favourable a position for putting a stop to adulteration as the exporters of any other article, or whether they were so far helpless before the original producers or those who bring the cotton to market as to require the assistance of Government in procuring an unadulterated staple.

It was evident at once that one of the chief practical difficulties in carrying out a system of State inspection was that of determining what should be considered adulteration of such a description or degree as to call for the interference of the officers of the department. Hence the expressed wish of some of those officers that adulteration should be more clearly defined and the Act made more stringent in its provisions, and of the class represented by Mr. Whittle that if the suppression of fraud is to be attempted by State machinery, it should begin at the beginning and supervise the operations of the grower in his field. On the other hand, the Commission have the complaint of the Honourable Mr. Bythell that the officers of the department interfere with cotton which cannot be deemed adulterated because the foreign substances considered by them to bring it within the reach of the law do not render it unmarketable, although they may render it of inferior value. He goes further than this, and shows that the very process which would be adopted to free the staple of such foreign substances, whether by "jhooring" (*i.e.*, beating up with sticks) or by passing it through an "opener," would, by taking the curl out of the cotton,

render it unmarketable at home: this is not a mere opinion on his part, but the result of rather a costly experiment. It must be mentioned here, however, that Mr. Ellis, of Broach, gives evidence to the effect that cotton may be passed any number of times through a Platt's opener without injuring the staple, and some of the papers forwarded to the Commission by Government bear the same testimony to the effects of a Crichton's opener. A part, therefore, from the general principle of interference or non-interference on the part of the State in such matters, it is clear that it must be almost an impossibility to lay down in any legislative enactment the precise limit at which a preventive establishment should be bound to take action, or at what point it should refrain so as not to invade the province of the buyer.

There can be no doubt that the margin of profit left to the exporter between what he can buy at in this country and what he can sell at abroad has, through the instrumentality of the electric telegraph in diffusing the latest intelligence throughout the mofussil, become very small, and that consequently the keenest competition exists to share in that profit. This has led to some of the large mercantile firms in Bombay no longer dealing, at all events to the same extent as formerly, with an intermediate class between themselves and producers, but purchasing directly from the latter through their own agents. To what extent this change of system has occurred is a disputed point between Mr. Bythell and the head of the Cotton Frauds Department, but for the purposes of this inquiry it is sufficient to state the opinion of the majority of the Commission that it is to these circumstances, and to competition coupled with falling prices, necessitating more careful selection, more than to the direct preventive influence of the department, that is to be traced the more general absence of adulteration at present than formerly. It is to the continuance of such circumstances in their opinion, moreover, that we must look for a permanent improvement in the cotton trade of the Presidency in this respect rather than to the energetic action of a preventive establishment strengthened by more stringent laws. There are certainly circumstances connected with the trade in certain parts of the country that oblige the Commission to hesitate in recommending the immediate and entire cessation of supervison on the part of authorised public officers, but that supervision must be of a different character from what is allowed under the existing law. It will be seen from Mr. Walton's evidence that the acclimatised New Orleans cotton grown in the Southern Mahratta Country is brought to market in very inferior condition in consequence of the custom of mixing exotic and indigenous cotton together before ginning, when the two become so intimately mixed that it is difficult to distinguish and impossible to separate them. The Commission learn from other sources also that the saw-gins used in ginning it are often so badly repaired as to cut and spoil the staple. The latter is of course not an adulteration punishable under the Act, and what would be required to prevent such abuse of the staple would be an Act to oblige gin-owners to take out licences and render them liable to penalties if they did not keep

their gins in proper order. Even in this case, however, Mr. Walton's evidence goes to prove that the trade is able to take care of itself, for in answer to question 112 he has stated that cotton for local spinning is prepared under a different agreement from that under which cotton for export is prepared: the former is paid for according to the weight of the seed extracted, thus making it for the interest of those preparing it to clean it well and get as much seed out of it as possible, while the latter is paid for according to the weight of the cleaned cotton, thus affording a direct incentive to the cleaner to make it as heavy as possible with seed and other substances put in to adulterate it. Mr. Walton quotes a case in which he was informed by a native dealer that he had himself obtained a better price for bad cotton than another man who at the same time had taken the greatest pains to clean and prepare his in a pure state for the market. Now, it appears to the Commission that this proves a little too much: it is contrary to all reasonable belief that a buyer would deliberately pay higher for an inferior than for a superior article, and explanation must be sought for either in the one cotton, although cleaner than the other, being in reality of inferior staple, or gross carelessness on the part of the buyer, a carelessness for which he would certainly himself suffer in the end, and which consequently he would not be at all likely to be guilty of again.

Taking the whole of the circumstances into consideration, the majority of the Commission, with the dissent of Mr. Ravenscroft, a memoradum by whom is attached to this report, are opinion that the time has arrived when the Act may be placed in abeyance. The time at which this should be done they would leave to the judgment of His Excellency in Council, but would suggest that it might not be advisable to suspend its operation in the middle of a season, for fear that unscrupulous dealers, suddenly released from all constraint, should for a time endeavour to take advantage of contracts already entered into to palm off adulterated cotton.

The Commission have no doubt that the officers of the Cotton Frauds Department have on the whole worked zealously and well, and that the Act has to a great extent served the purpose for which it was passed, and been instrumental in checking the grosser kind of adulteration by the admixture of extraneous substances. If its being held in abeyance should for a time lead to the renewal of such practices, the Commission are convinced that matters will very soon right themselves, and the trade will suffer no permanent injury from the frauds of a few individuals. The days of enormous prices for East Indian cotton passed away, probably never to return, with the close of the American war, and with them the unusual temptations to adulterate the staple which the provisions of the Act were meant to counteract, but it would probably be advisable to retain the Act on the Statute Book in case any tendency to fraud should hereafter develope itself in such a shape as to endanger the loss of the great export trade of the country, a loss which would be nothing short of a national calamity. To meet deliberate cases of fraud the provisions of the Indian Penal Code are apparently ample.

The Commission feel that they need not allude to the matter,

brought to their notice for consideration in the papers accompanying the Government Resolutions (No. 1528 of the 24th March 1874, No. 1665 of the 30th idem. No. 4040 of the 31st July 1874), than to say that they only confirm the conviction that the trade is perfectly able to take care of itself.

The subject of Government Resolution No. 6718, of the 19th December 1874, as to the depreciation of cotton in being put through an opener has been touched upon incidentally above, and that of No. 6171, of the 25th November does not come within the scope of the inquiry, as it is a matter for Government to decide whether any portion of the proceeds of the fee leviable on cotton exports should be allotted to the Resident at Hyderabad on account of export from the Berars.

The Commissioners beg to forward copies of letters from four houses engaged in the cotton trade in the Southern Mahratta Country, submitted to them by the Inspector-in-Chief in favour of the retention of the department of making the provisions of the law more stringent, and of introducing a system of licensing gins. These letters appear to them to bear internal evidence of the fact that that healthy competition to which they mostly attribute the check that adulteration has received elsewhere has not yet extended to the part of the country the letters deal with, and in no way convince them that by the exercise of a little foresight and prudence in their dealings with the middlemen the writers would not be able to remedy the state of affairs they complain of better than an official department armed with extensive legal powers. Mr. Jamsetjee Hormusjee Lukriwalla merely argues for the retention of the department because there has been much less fraud and much improvement in the quality of cotton since its establishment.

In conclusion, the Commission would beg to urge on Government the advisability of doing everything in their power to improve the quality of cotton grown in the Presidency. They are aware that experimental farms have been established and are still in existence in several localities for the improvement of agriculture in general, and that large sums of money have been expended by the State in furtherance of this desirable object. It is to be hoped that the self-interest of the growers will in time lead to greater attention being paid to this subject by them personally, or that the production of finer varieties will be stimulated by the exertions of agents of the exporters in districts situated like the Southern Mahratta Country. The only practical suggestion the Commission can make at present in this direction is that the Collectors and Political Agents should be furnished with sufficient samples of cotton of different qualities and their value at home to give the necessary facility to all producers within their several ranges to see them, and to judge for themselves the profit they would derive from bringing to market the finer varieties in a pure state. The exhibition of such samples by the local officers in the course of their tours, or at the annual revenue settlement, in cotton-pro-

ducing districts might do much towards awakening the people to a sense of their own interests in this important particular.

A. ROGERS.
E. M. FOGO.

MINUTE BY MR. LEMESURIER.

BOMBAY, 11*th December*, 1874.

In conformity with the understanding arrived at on the occasion of the last meeting of the Committee on the Cotton Frauds Act, I am desirous to place on record the conclusions at which I have arrived after hearing such evidence as was forthcoming. My opinion may be very briefly expressed.

1st.—It appears to me that the time has come when the cotton trade can very well take care of itself, and that no more special legislation is needed either in our own territories or on frontier lines for foreign grown cotton than is required in the case of other produce.

2nd.—I am strongly of opinion that while the Act has now ceased to be either necessary or useful, it can be used without much difficulty and without fear of detection, by astute traders, as a powerful means of influencing operations in their own favour.

3rd.—While I am opposed to the continuance of the Cotton Frauds Act in any form, I would advocate the adoption of any measures which would tend to promote improved cultivation, and to encourage the ryot to grow the description and quality of cotton which would command the best place in the home market.

Every facility should be afforded to the agriculturist to procure, on easy terms, good and fresh seed, and no effort should be spared to make him acquainted, through the most reliable channels, with the requirements of the distant markets and the relative values of the various qualities of cotton, so that he may be induced to exert himself to work clear of the bunneah and to produce an article of sound intrinsic value.

I scarcely think it is necessary to express my views in fuller detail.

HENRY P. LEMESURIER.

DISSENT BY MR. RAVENSCROFT.

I regret that I cannot concur with the other members of the Commission in the conclusion arrived at by them. They are of opinion that at the close of the present cotton season, the Bombay Cotton Frauds Act, which was passed to prevent fraudulent adulteration and deterioration of the staple, should be placed in abeyance, and the dealers in cotton left to protect themselves, in the same manner that dealers in other commodities protect themselves at present. I am, of course, fully aware of the arguments commonly used to

prove the expediency of leaving trade and traders to look after their own interests and of the inexpediency of State interference in mercantile transactions, and I fully recognise the force of these arguments, as a general rule. But I also remember that, not only in India, but in England and every civilized country the State does, with the full approval of the public, interfere in the mercantile transactions where exceptional circumstances render such a course necessary. For instance, the fares which drivers of public conveyances may charge are, in every civilized country, regulated, not, as in accordance with free trade principles of supply and demand they should be, by private arrangement, between owners and hirers, but by rules laid down by Government or law. So also apprentices and certain hired servants may be prosecuted criminally in England for breach of contract, whereas ordinary employers are left to obtain redress for like failure of duty on the part of their *employés* by usual civil process. Then, again, in England and other European countries an Act to prevent and punish adulteration in certain articles of food is at present in force. This law, in England at least, is much more stringent than Bombay Act IX. of 1863, which it is proposed to place in abeyance. For under the Bombay Act a man cannot be criminally punished unless a guilty knowledge is proved, whereas no such guilty knowledge is necessary to ensure conviction under the English law. And I perfectly remember reading in the *Times* the decision of the Court of Queen's Bench in a case where a tradesman appealed against his conviction by the magistrates for selling adulterated tea. He was able to show clearly, and it was acknowledged by both sides, that the adulteration occurred in China, and was of such a nature that in all probability the person convicted knew nothing of its existence, which could, indeed, be only discovered by careful analysis. Nevertheless, the Judges of the Court of Queen's Bench unanimously upheld the conviction, laying down that under the Act referred to, it was the bounden duty of the seller to satisfy himself, even by analysis if necessary, that he was selling unadulterated goods. It is, of course, of more importance to prevent and punish adulteration with reference to an article which enters the stomach than a staple which will be manufactured into cloth for covering the body. The principle, however, is the same; and the existence of such laws shows that the old adage of "caveat emptor" must be read with many modifications at the present time. In addition to the mercantile side of the question, the imperial importance of fostering and aiding the cotton trade of Western India must not be overlooked. I gather from the Administration Report of the Inspector-in-Chief of the Cotton Department that last year upwards of 1,200,000 bales were exported from this Presidency, the value of which, even at the present low rates, was upwards of £12,000,000. This is a large sum of money, and its serious diminution would entail a heavy loss on the Presidency generally. Under these circumstances, the following questions should, in my opinion, be fully weighed before the Secretary of State is asked to pass a decision on the important matter under consideration:—

1. Is the Cotton trade of Bombay of such a nature and import-

ance as to justify and necessitate its being fostered and protected by unusual means?

2. Are the means provided in Act IX. of 1863 suitable and sufficient for the purpose?

The first question must, in my opinion, be answered in the affirmative; and it is my firm conviction that if the law now in force for preventing adulteration and fraud in the cotton trade is placed in abeyance, the same outcry will in a year or two be raised as that which compelled the Bombay Government in 1863 to pass Act IX. of 1863. This, moreover, is the opinion of Mr. Ashburner, the Revenue Commissioner, N.D., whose exertions in fostering and improving the cotton trade in Khandeish are well known and appreciated both in this country and in England. Such also is the opinion of numerous experienced officers of Government, European and Native, who have served in the cotton-producing districts. It is now, I believe, universally acknowledged that since Act IX. of 1863 has been brought into operation cotton adulteration and fraud have very materially diminished in this Presidency; and whereas Bombay cotton used to be notorious in Liverpool and Manchester for its dirty and adulterated condition, it now fairly competes with American as regards purity. This satisfactory state of things has naturally give rise to contention between the supporters and opponents of the Cotton Frauds Act. Its supporters allege that this improvement is mainly owing to the exertions of the officers employed to prevent adulteration and fraud: its opponents maintain, on the other hand, that the introduction of railroads, the altered conditions of trade, and the increased intelligence of all concerned in rearing, and dealing in cotton, have led to this happy result. Though I fully admit these causes have contributed in bringing about the change, they have done so, in my opinion, in a lesser degree than the Cotton Frauds Act, which cannot, as I said before, be placed in abeyance without an immediate return, though perhaps in a smaller degree than formerly, to the old state of things. With reference to the wording of the Act itself some alteration is, I think, desirable, as certain sections have been understood differently by different magistrates; but with the Act generally, and the manner in which it has been worked, I have no fault to find. Power, when placed in the hands of low-paid officials, may of course be abused; and I do not say that the subordinates on the cotton frauds establishment are purer than the market peons of Bombay, whose conduct is now under magisterial investigation, or any other peons or subordinates whose delinquencies have not been yet discovered. But I do not think they are any worse; and I am happy to say that the number and character of the magistrates in the Bombay districts are such, that oppression on the part of any officials of any department ought to be impossible. I cannot pass over without notice the evidence of one of the European witnesses. He admitted that he looked upon the Act as a useful means of compelling native sellers of cotton to fulfil their contracts under threats of the Cotton Inspectors being called in to seize the cotton complained of. It is difficult to understand how any European who was apparently educated

and intelligent could have such erroneous ideas of right and wrong. His honesty, however, in candidly avowing them of his own accord is to be commended, and would seem to show that he was not aware that his conduct was out of the common. His manner also showed this. Knowing, as I do, from many years' experience in Guzerat, the character of the district cotton growers and dealers I cannot believe that the Act really is, except in very rare cases indeed, misapplied in such a highly objectionable manner. But magistrates are always available, and it is as much their duty to prevent laws being perverted for improper purposes as to prevent crimes of any other nature.

In conclusion. I think it right to add that I was the officer appointed in 1864 to introduce the Act throughout the Presidency. My mind may, therefore, have a bias in favour of a law which commenced to be worked under my immediate superintendence, and for the carrying out of which I was for eight months, when I was transferred to other duties, mainly responsible.

E. W. RAVENSCROFT,
Member of the Commission.

Bombay, 12th January, 1875.

No. 5428 OF 1875.—REVENUE DEPARTMENT.

BOMBAY CASTLE, *24th September*, 1875.

To the SECRETARY to the CHAMBER OF COMMERCE, Bombay.

SIR,—In reply to your letter of 6th instant, I am directed to forward herewith a printed copy of the Report of the Committee appointed by Governmant to enquire into the working of the Cotton Frands Act, and to state that as correspondence on the subject is still in progress, Government cannot furnish the Chamber of Commerce with a oopy of their Resolution on the Report.—I have, &c.,

E. JAMES,
Acting Under-Secretary to Government.

No. 215 OF 1875.

CHAMBER OF COMMERCE, BOMBAY, *7th October*, 1875.

To the CHIEF SECRETARY to GOVERNMENT, Bombay.

SIR,—I have the honour to inform you that at a Meeting of the Mercantile Community of Bombay, European and Native, in Public Meeting assembled in the office of the Chamber of Commerce on the 11th September last the following Resolution was passed with only one dissentient:—

"That the Secretary of State for India having re-

"solved to maintain the Cotton Frauds Act "contrary to the recommendation of the Com- "mittee appointed by the Bombay Government "to enquire into the subject, this Meeting "desires to record its protest against a policy "which continues to burden the trade with an "unnecessary tax."

I am, therefore, directed by the Committee of the Chamber of Commerce to enclose a Memorial to Her Majesty's Secretary of State for India in Council, praying that the Act may be placed in abeyance, and protesting against the policy which continues to burden the trade with an unnecessary tax, and respectfully to request that His Excellency the Governor in Council will be pleased to favour the Committee of the Chamber by forwarding the Memorial, on an early date, to his Lordship.—I have, &c.,

J. GORDON, Secretary.

To the Most Hon'ble the MARQUIS of SALISBURY, Her Majesty's Secretary of State for India in Council.

The Memorial of the Mercantile Community of Bombay, European and Native, in Public Meeting Assembled,

RESPECTFULLY SHEWETH,—That at a Meeting of the Mercantile Community of Bombay, held on the 11th September 1875, the following Resolution was passed, with only one dissentient, viz. :—

"That the Secretary of State for India having re- "solved to maintain the Cotton Frauds Act "contrary to the recommendation of the Com- "mittee appointed by the Bombay Government "to enquire into the subject, this Meeting de- "sires to record its protest against a policy "which continues to burden the trade with an "unnecessary tax."

That the Act of the Bombay Legislative Council No. IX. of 1863, entitled, "A Bill for the prevention of adultera- "tion of cotton and the better suppression of frauds in the

"cotton trade in the Presidency of Bombay," was passed in the time of the American War, when the high prices paid for cotton naturally gave rise to a regular system of fraud and adulteration, which, moreover, was aided by the conditions of business then obtaining in Bombay of making, through the medium of native agents, advances to, and contracts with, the producers and dealers in cotton up-country, in anticipation of delivery.

That by Sections XIV. of the Act, a tax of four annas is leviable on every bale of cotton exported from any port or place in the Presidency of Bombay to any port or place except in British India, the proceeds of which are to be appropriated solely towards carrying out the objects of the Act. The tax was reduced in May 1865 to three annas on every bale exported, and in May 1872 to two annas per bale, at which it remains.

That from the first, the Act has been declared even by those who favoured its continuance to be wholly ineffectual for the suppression of fraud. The Government of Bombay, in their Resolution on the Report of the Cotton Frauds Department for 1868-69, remark:—"That the officers of the "Department are unanimous in condemning the utter in-"efficiency of the penal provisions of the Act;" and "That "for Police purposes the Act may be said to be inoperative."

That a Bill No. 4 of 1869, with more stringent provisions of a penal character, entitled, "A Bill for the prevention "of adulteration of cotton and the better suppression of "frauds in the cotton trade in the Presidency of Bombay," was introduced into, and passed through all its stages by, the Legislative Council of Bombay, and that His Excellency the Viceroy and Governor-General of India withheld his assent from this Bill for various reasons, but especially in reference to the penal clauses on the ground that "the Penal Code "has fixed the general limits of the Criminal Law, and he "did not think that those limits should be extended except "for very grave reasons."

That Act IX. of 1863 had hardly come into operation before the state of things which had led to its enactment ceased to exist.

That the quality of cotton exported from Bombay has of late years much improved, from various causes, to which neither the Act, nor the Establishment maintained at the

cost of the cotton trade to carry out the objects of the Act, has in any degree contributed. After the excitement caused by the failure of the supply of cotton from America had passed away, the trade settled down and found its level, and the supply from the United States again equals in quantity what it was before the War: railway communication has been introduced into the cotton districts: European Agencies, Cotton Markets, Ginning and Pressing Factories, have been established throughout the interior, in places where formerly the business was conducted by means of native agents, and where the buyer is now brought face to face with the producer. And the electric telegraph, by diffusing the latest intelligence throughout the cotton districts, has left to the exporter an extremely small margin of profit, to share in which the keenest competition exists.

To these influences, but especially to the application in the Liverpool Market, in November 1872, of the system of "mutual allowance" to Indian Cotton, is the great improvement in the cotton exported from this country attributable. By this system, while the seller submits to an allowance for any deficiency in the quality of the cotton sold, the purchaser on the other hand pays for any superiority in the quality of the cotton which he receives. From the time when the Liverpool merchants were prepared to pay for better quality, the merchants in Bomby began to select the higher grades and to separate them from the secondary ones: and a system of the most careful selection and classification, particularly when the cotton is spread out in the Press Eactory, previous to compression, is now of necessity universally adopted.

That from these circumstances, and the natural operation of the laws of supply and demand, has resulted an improvement, which, your Memorialists believe, will be of a permanent character. There is no class in India more alive to its own interest than that of the ryot, who has now every incentive to produce a better quality of cotton, for which he obtains a better price, and to avoid mixing it with inferior qualities which render it unsaleable. If the Act were placed in abeyance, the conditions of the cotton trade have now so entirely altered that the fraud and adulteration practised before the passing of the Act would rarely occur, and, where attempted, the offenders would be effectually reached by the Indian Penal Code.

That your Memorialists believe that the special legislation of 1863 was an error, and that if the fraud and adulteration which it was intended to prevent had been left to themselves, they would have disappeared much sooner than they did but for the existence of the Act. For merchants and bankers, deluded by the false feeling of security held out by the Act, advanced money on cotton without taking the trouble which they ought to have taken, and which they would have taken, but for the Act, to ascertain exactly what it was that they were advancing upon.

That, as an illustration of the little influence which the Cotton Frauds Department has exercised, your Memorialists desire here to repeat the well-known fact, that the best, cleanest, and most regular, cotton received in Bombay comes from States which are beyond the operation of the Act, such as the Berars, Central Provinces, and parts of Kattywar, while, on the other hand, the dirtiest and most falsely-packed cotton comes from the Southern Mahratta Country, where the Act has been most stringently enforced.

That the Bombay Chamber of Commerce at the General Meeting of the Members, held on the 6th October 1870, affirmed that after nearly seven years' experience of the Act IX. of 1863, "they were unable to point to any benefit "which it conferred on the cotton trade of Bombay, though "it cost that trade annually more than two lacs of rupees."

That the Government of India, in their Resolution No. $\frac{3}{204\text{-}221}$, dated 11th November 1874, abolishing the appointment of Commissioner of Cotton and Commerce with the Government of India, promulgated:—"It is no doubt "an object to maintain a high standard in this article of "produce (cotton), and to encourage it to acquire a good "reputation in the English market, but it is equally an ob-"ject to secure and maintain a good reputation for many "other articles of Indian production, such as tea, tobacco, "indigo, jute, and silk. These and other articles have not, "however, enjoyed the protection of a special Commissioner, "but are left to private enterprise stimulated by the en-"couragement of the local and supreme Governments. "There is no reason why cotton should, now that the trade "has found its normal level, continue to be treated excep-"tionally."

That the principle of the Act is unsound, and opposed to

the principle of the Adulteration Acts which have been passed in recent years in England. The English Legislature has, as your Lordship is well aware, always held that State interference as between experts or professionals, who are quite able to look after their own interests, is unnecessary; and it is only resorted to where the public health is concerned, or for the protection of the poor and ignorant consumer who is unable to protect himself. The Adulteration of Food Act, 1872, did not propose to interfere with the practices of trade, but merely to put a stop to the adulteration of food by the mixture of articles poisonous or injurious. The State regulates the fares for cabs and public conveyances, while it takes no cognizance of the rates of freight. But in the former case, which the supporters of the Bombay Act adduce to justify it, the State interferes for the protection of thousands, who are not in a position to judge for themselves, while the rates of freight are left to professionals, who can best judge by experience of their own interests. The Seeds Adulteration Bill, 1869, has perhaps a nearer resemblance than any of the English Acts to the Bombay Cotton Frauds Act, but the same principle pervades it. In wheat, barley, oats, &c., the farmer's constant habit of handling, at all stages of growth, and comparing samples, render him as good a judge as any professional expert, and these, therefore, the Bill did not propose to touch. But in the smaller seeds, such as turnip, clover, &c., which he is seldom able to grow for himself, and where there is infinite variety, with very close resemblance; he is entirely at the mercy of the seedsman. It was in these cases that the farmer was most extensively defrauded, and they were precisely those in which the English Legislature considered he was most deficient in the knowledge necessary to protect himself. The Bill did not profess to deal with the admixture of seeds with seeds of an inferior species, frequently spurious sorts and mere weeds, although this practice was carried on to a great extent, for it was held that the line could not be drawn between fraud and carelessness, or even between intentional adulteration and unavoidable impurities, and the purchaser must look out for himself. Now there is nothing in the nature of the staple, or in the cotton trade of this Presidency, which renders special legislation necessary for the protection of those who are engaged in it. The trade is perfectly able to protect itself against any fraud or adultera-

tion which may be practised upon it. The merchants connected with the trade have spent the greater part of their lives in it. With their experience, they are the best judges of the utility or inutility of the Act, and it is certain that if it were in any degree useful, their interests would be best served by its continuance. But they consider that the Act is unnecessary, that it is opposed to that principle which requires that the State shall not interfere where the buyer is able to protect himself, and that its continuance is a useless embarrassment of trade.

For these reasons, your Memorialists do most earnestly and respectfully protest against a policy which continues to burden the cotton trade of this Presidency with an unnecessary tax, and they most humbly pray that your Lordship will, on re-consideration, be pleased to give effect to the recommendation of the Commissioners appointed by Government Resolution No. 1128, of the 3rd March 1874, to inquire into the working of the Cotton Frauds Act (Bombay Act IX. of 1863) in the Bombay Presidency, and place the Act in abeyance.

And your Memorialists, as in duty bound, will ever pray.

At the request, and on behalf, of the Memorialists,

J. A. FORBES,
Chairman, Bombay Chamber of Commerce.

J. GORDON,
Secretary, Bombay Chamber of Commerce.

Chamber of Commerce, Bombay, 6th October, 1875.

No. 6184 OF 1875.—REVENUE DEPARTMENT.

BOMBAY CASTLE, *2nd November*, 1875.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—I am directed to state, for the information of the Chamber of Commerce, that the Memorial to the address of Her Majesty's Secretary of State for India submitted with your letter of the 7th ultimo was sent to the Marquis of Salisbury by the mail which left this on the 25th ultimo.—I have, &c.,

E. JAMES,
Acting Under-Secretary to Government.

APPENDIX M.

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WATER SUPPLIED TO THE SHIPPING.

No. 91 of 1875.

Bombay, 1st *May*, 1875.

W. G. Pedder, Esq., C.S., Municipal Commissioner, Bombay.

Sir,—Complaints having been made to the Chamber of Commerce, by merchants largely representing the shipping interest, that the water supplied to the shipping is bad, the Committee desire me to address you on the subject.

The Committee observe that the pipe used by the Port Trust for the shipping was shifted about two years ago to the north side of the Carnac Bunder a distance of about 400 feet from the night-soil pipe. At such a distance from the sewer, and assuming that the pipe has no connection whatever with it, it is probable that the water obtained from that pipe is neither polluted with sewage nor by the tainted atmosphere in the immediate neighbourhood of its discharge. At the same time there is in the harbour just now a great deal of sickness which is believed to have arisen from bad water having been supplied by the Master Attendant's Department, and the Committee trust that you will cause further enquiries to be made with the view of removing every ground for alarm on the subject.

There is, however, another pipe on the south side of the Carnac Bunder, which runs for some distance immediately over the sewer down to within a few yards of the discharge of the sewage. From this pipe, one connection supplies the Ferry Boats about six yards north of the discharge, and another connection fills the water boats of Abba Ibrahim and Sulliman Pinvanee at about the same distance south-west of it. It was this pipe, the Committee understand, that was formerly used by the Master Attendant for the shipping until sewage was found in the water, the result, it was said, of the pipe having been used to flush the sewer when it became choked. Now the boat of Abba Ibrahim carries tanks which hold 15 tons of water, and he supplies the shipping at lower rates than the rates charged by the Port Trust; and the boats of Sulliman Pinvanee (4 boats containing each 5 tons of water) supply the native craft. The Committee apprehend that, if there is any ground for the alarm felt that the water supplied to the shipping is bad, it is probably attributable to the water obtained from the pipe at the south end of

the Carnac Bunder, which doubtless still retains its connection with the night-soil pipe, and supplies the boats that lie for hours in the process of filling within a few yards of the discharge of the sewage, in an atmosphere thick with pollution.

The Committee of the Chamber desire to bring these circumstances to your notice in the hope that you will cause the whole matter to be thoroughly enquired into, and such steps to be taken as will place the purity of the water supplied to the shipping beyond the possibility of doubt: and in the meantime that you will refuse to allow water to be obtained from any pipe that has any connection whatever with, or is used in flushing any night-soil pipe, or water that is likely to become polluted from the proximity of sewage.—I have, &c.,

J. GORDON, Secretary.

No. 2765 of 1875.

MUNICIPAL COMMISSIONER'S OFFICE, BOMBAY, 17*th May*, 1875.

J. GORDON, Esq., Secretary, Chamber of Commerce.

SIR,—I have the honour to reply to your letter dated 1st instant regarding the supply of water to the shipping. The reason, I would explain, that you have not received my answer sooner is that your letter was referred to the Health Officer and Executive Engineer for careful enquiry on all the points raised in it.

2. It would seem that the Chamber of Commerce does not very clearly understand the arrangements for supplying water to the shipping, and it is certain that much misapprehension on this subject exists among the public. It will, therefore, be well to explain exactly what the arrangements are.

3. From the main which goes along the Parell Road, via Syud Abdool Rahmon Street to the Fort and Colaba, a main is taken off at the east end of Syud Abdool Rahman Street which, after supplying the Crawford Markets and the Night-soil Depot at the foot of Carnac overbridge, is taken across the Railway to Carnac Bunder head for the supply of the shipping.

4. There is no possibility of the supply either to the markets or to the shipping being in any way contaminated by the fact of the Night-soil Depot being also supplied. For the connection which gives the necessary water to the Night-soil Depot fills certain tanks placed above the Depot, or else discharges by a stand pipe, and the water thus poured out to flush the Depot is carried off by the sewer after being used; it cannot by any possibility return into the main or taint the water in it, any more than the fact that the cisterns which flush water-closets in the Fort are filled by the mains can affect the water in the mains.

5. The sewage from the Carnac overbridge Night-soil Depot flows through an iron pipe to Carnac Bunder head, and is then discharged into the sea. This pipe, therefore, and the main which supplies the shipping, run parallel to each other from near the overbridge to the Bunder head.

6. Several years ago the sewage pipe having given a great deal of trouble by becoming choked up, the then Executive Engineer, in order to flush it out with direct pressure from the water-main, laid several connections from the water-main to the sewage pipe at intervals between the overbridge and the Bunder head, fitted with valves, which could be opened when it was desired to flush the sewage pipe. I have no hesitation in saying that this should never have been done, since there was always a danger that if the men in charge mismanaged the valves, a circulation of water between the main and the sewage pipe might be set up. In fact, this actually happened about two years ago. It was fortunately discovered immediately, the connections were in consequence entirely removed, and a steam fire-engine is now employed to flush the sewage pipe.

7. You will see from the above that there is no communication whatever between the water-main which supplies the shipping and the Night-soil Depot or sewage pipe. The numerous people, who make it their business to excite public alarm on subjects of which they know nothing, will perhaps not be convinced that sewage cannot get out of a closed iron pipe, pass through several feet of earth, and get into an iron water-main under pressure. But I think that you will agree with me that you have not put it too strongly when you say in your letter that it is not "probable" that this can take place.

8. At the time that the connections between the sewage pipe and the water main were removed, the latter main was prolonged, so that the valve which supplies the water barges should be as far as possible from the outlet of the sewage pipe, *i.e.*, nearly 400 ft. This was done in order that the water barges might lie to be filled as far as possible from the sewage outlet.

9. You say in the 3rd para. of your letter under reply that "there is another (water) pipe on the south side of the Carnac "Bunder," you show that this pipe supplies by two connections the ferry boats and certain water barges belonging to two natives which supply the native craft and some of the shipping, and you proceed to express a fear lest the water in this pipe should be contaminated with sewage from the Night-soil Depot. You are, however, under a misapprehension. There is one water main only on the Carnac Bunder, that which I have described in paras. 3—7 above. From it, and on the Bunder head, there are two connections as well as that which supplies the steam water barges; one, a 2 ft. pipe, which discharges about 45 ft. south-west of the sewage out-fall, is in charge of Mr. Ryan, Port Trust Bunders' Traffic Manager, and the contract for selling water from this pipe is, I believe, let by him to Essa Moloo and Abba Sulliman, who supply from it, as you state, the native craft and some ships. Another 2 ft. pipe which discharges about 115 feet north of the sewage out-fall supplies the ferry boats. It is in charge of Mr. J. A. Sheppard.

10. From this you will see that all the water which is supplied to the Harbour comes from the same main, and that there is no possibility that the water from any one of the three outlets can be contaminated with sewage. But the outlets for the ferry boats

and native craft have the disadvantage of being nearer the sewage out-fall, and barges receiving water from these outlets lie more in the smell from the sewage than the Port Trust barges do. It would, therefore, be very desirable, if possible, that the Port Trust should close the two smaller outlets and supply all water for the Harbour from the principal or steam water barge outlet. I fear, however, that there is a good deal of difficulty about this, for, from general want of pressure in the mains, I believe there is now much trouble in filling the steam water barges alone.

11. The above will, I hope, convince the Chamber of Commerce that there is no direct contamination of the Harbour water supply by sewage. There remains the question whether the water can be contaminated by the stench from the sewage out-fall. The Health Officer expresses a very strong opinion that this cannot be the case. But I confess that I cannot but fear some deterioration of the water from this cause, not that the water discharged through a hose out of an iron main under pressure can be affected, but that I should be afraid that the water barges themselves, often lying for a long time in the proximity of the sewage out-fall, must become impregnated with the miasma. At any rate, the idea that the water supply of the shipping is drawn close to the sewage out-fall in a very disgusting one.

12. It would be a very good thing if the main which supplies the shipping could be shifted to some other Bunder, but I fear that it will be very difficult to effect this, until the additional water supply from Tulsi is available. The Executive Engineer suggests a new 12″ main direct from the Vehar 32″ main to the Mazagon Bunder head. But independently of the cost of this which would be considerable, this new and large direct connection with the Vehar main would reduce so greatly the already very deficient pressure in the city that I do not think the Municipal Commissioner could permit it. And pressure in the Fort is now generally so low that I do not think that the barges could be filled at the Custom House Bunder.

13. I would remind the Chamber of Commerce that the Municipality have nothing whatever to do with the supply of water to the shipping which is entirely in the hands of the Port Trust, and that the Municipality would be only too glad if the shipping could be supplied with other than Vehar water. By an arrangement exceedingly disadvantageous to the Municipality, which will not expire for two or three years, the Municipality are bound to let the Port Trust have as much water for the shipping as the main to Carnac Bunder head will carry at the nominal rate of one anna per 1,000 gallons (the public rate being 12 annas), and even the small proceeds of this nominal rate are devoted to paying off the original cost of the steam water barges. Any additional expenditure, therefore, required for the improvement of the supply to the shipping cannot be defrayed by the Municipality.

14. You say in your letter that the sickness prevailing in the Harbour is believed to have arisen from bad water. May I ask what grounds there are for this belief? The Health Officer states that enquiries made by himself show no connexion between the

sickness and the water-supply, and points out that the dysentery and diarrhœa, which are common at this season among the floating population, may arise from any one of several causes.

15. I have now replied to all the points in your letter. But, as I believe, that considerable uneasiness has been caused by reports of the results of a recent analysis of the water supplied to the shipping, I append copy of a letter addressed to-day to the Health Officer on the subject, from which you will see that the matter has not escaped our attention.—I have, &c.,

W. G. PEDDER,
Municipal Commissioner.

No. 2764 OF 1875.

MUNICIPAL COMMISSIONER'S OFFICE, BOMBAY, 17*th May*, 1875.

To the HEALTH OFFICER.

SIR,—I have the honour to forward, for your immediate attention and report, letter from the Secretary, Port Trust, with accompaniments, being analysis of, and report on, certain samples of Vehar water by Dr. W. Gray.

2. I would beg to direct your attention to the following observations which, however, I make with some diffidence, the subject not being one on which I have special knowledge.

3. The samples of water analysed by Dr. Gray may be divided as follows:—

(*a*).—Samples taken at the Grant Medical College and in the Fort from the great main. The result of the analysis of these samples, looking (which, Dr. Gray says, is of most importance,) to the "free ammonia" and albuminoid ammonia shown, is that the water is not unfit for drinking but is not so pure as it should be.

(*b*).—Samples taken from the main (a branch of the first main) which supplies the shipping, at the Crawford Markets, and at the Carnac Bunder. This water is more impure than (*a*), and Dr. Gray considers it unfit for drinking.

(*c*).—Samples taken from the tanks of the Port Trust water barges which supply the shipping.

(*d*).—Samples taken from the tanks of different ships in Harbour. (*d*) is more impure than (*c*), and both more impure than (*b*).

4. The extra impurity of samples (*c*) and (*d*) is pretty evidently caused by the tanks in which the water is stored being dirty, and we have nothing to do with this. But the purity of the water in the mains is a very different matter for which we are responsible.

5. The point of most importance, of course, is whether the water supplied to the city or shipping from the Vehar main is contaminated with sewage? Now, I write with great diffidence, but I believe that, although the absence of the "free ammonia" and "albuminoid ammonia" from any water is conclusive proof of the absence of sewage contamination, the converse does not hold good.

6. I would request you, therefore, to compare Dr. Gray's analysis of sample (*a*) with the analysis made by Dr. Lyon in 1871 of water taken direct from the Vehar Lake, v. p. 28 of Major Tulloch's Water Report. It appears to me that the results of both analysis are almost the same, and if so, water from the mains cannot of course be purer than water from the lake itself.

7. Now, if there is one thing certain, it is that there is no sewage contamination of the Vehar Lake. As far as this goes, we have the purest source of water supply probably in the world, one certainly far purer than any similar source in England, for there are no habitations whatever, and even cattle are not allowed to graze, within the gathering ground of Vehar. There may be impurity in the Vehar water from decaying vegetable matter, &c., but certainly not from sewage.

8. It seems to me then that if the water in the lake and the water in the main give the same results on analysis, it is perfectly certain that the water in the mains is not contaminated with sewage, and that there need be no uneasiness, at least on this account, with reference to the water supply of the city generally.

9. As regards samples (*b*), however, you will observe that there is an addition of impurity beyond that of samples (*a*), and I am told that this water when drawn actually had a disagreeable smell. As the main from which these samples were obtained is a branch from the main which supplied samples (*a*), it is clear that the cause is local. You will see from my letter to the Secretary, Chamber of Commerce, that sewage contamination of this main from the Night-soil Depot is out of the question, and in all probability the cause of the impurity was a dead eel or fish in the main, as is often been found to be the case before, *vide* p. 27 of Major Tullock's Report. Immediately on hearing complaints of the water in this main, I ordered the pipe to be laid open and examined, and thoroughly flushed by the cleansing cocks, and Mr. Walton tells me that the water is now perfectly bright and clear and free from smell; samples taken from it should now be analysed again, and if on analysis it appears that there is not more than the average impurity, it will be certain that the cause of the extra impurity was local and temporary and has been removed.

10. In conclusion, I would ask you before sending in your report on this letter to have several samples of water taken both direct from the Vehar Lake at different depths, and from the mains in different parts of the city, carefully analysed.—I have, &c.,

W. G. PEDDER, Municipal Commissioner.

(True Copy.)

W. G. PEDDER.

No. 361.

BOMBAY PORT TRUST, ELPHINSTONE CIRCLE, 24*th May*, 1875.

From the ACTING SECRETARY PORT TRUST, Bombay, to J. GORDON, Esq., Secretary to the Chamber of Commerce.

DEAR SIR,—In compliance with the request of the Chamber, contained in your letter dated 19th instant, I am directed to forward a copy of Dr. Gray's report and statement of analysis of the several waters submitted to him, and I am to state, for the information of the Chamber, that the Trustees have requested Government to appoint an officer to enquire into the subject. The Trustees expect that the officer appointed by Government will make further analysis of the water, and enquire into the causes of the impurities of the water in the pipes, in the barges, and in the ships. The Trustees understand that the Municipal Commissioner is also prosecuting further enquiries.—I have, &c.,

HENRY MORLAND, Acting Secretary.

No. 162 OF 1875.

CHEMICAL ANALYSER'S OFFICE, BOMBAY, 10*th May*, 1875.

From the ACTING CHEMICAL ANALYSER to GOVERNMENT to the ACTING SECRETARY, BOMBAY PORT TRUST, Bombay.

SIR,—In the accompanying table, I have the honour to submit an analysis of ten samples of water forwarded with your letter No. 192, dated 26th April 1875. The analysis of each has been carried out only so far as regards its absolute fitness or unfitness as a drinking water.

2. For the sake of comparison I have entered in the table the results of an analysis of (1) a sample of Vehar water drawn from the supply pipe of Grant College Garden; (2) a sample taken from the supply pipe of the Crawford Markets; (3) a sample drawn direct from the main at Carnac Bunder from which the shipping is supplied; and (4) a specimen from a supply pipe in the Fort.

3. To make the table intelligible, it must be understood that waters are mainly rendered unfit for drinking by contamination with organic matter, when this is in a decomposing state and in the examination of a sample of water the quantity of this that may be present is estimated as "free ammonia" and as "albuminoid ammonia." It is to the figures which represent the amount of the latter that the greatest importance should be attached.

4. On comparing the ammonia determinations, as given in the table, it will be seen that those of the Grant College and Fort waters are the same, and also that they are much less than those of any of the other samples, thus showing that they are contaminated with organic matter to a far less degree, but still to such an extent as just barely to bring them down to the limits of drinkable water when filtered in the ordinary way. The "free" and "albuminoid" ammonia determinations of all the other waters, from the market

to the ships, pass beyond these limits to such an extent as to show that they are no longer drinkable.

A progressive increase in foulness will be noticed from Carnac Bunder to the ships, and the increase in free and albuminoid ammonia and chlorine leads me to suspect contamination with sewage, so that bad as the water is when in the main it becomes still worse by the time it reaches the ships. The amount of organic matter is, however, so great that, not only the water from the barges and ships, but also that from the market and Carnac Bunder should be condemned absolutely as unfit for drinking purposes.

6. The quantity of water sent from ships Nos. 7 and 8 was not sufficient for the determination of chlorine.—I have, &c.,

W. GRAY, Surgeon,
Acting Chemical Analyser to Government.

(True Copy.)

HENRY MORLAND,
Acting Secretary, Bombay Port Trust.

Names and Descriptions of the Samples of Water.	Grains per Gallon.		Parts per Million.	
	Solids.	Chlorine.	Free Ammonia.	Albuminoid Ammonia.
A sample of Vehar water drawn from the supply pipe of Grant College Garden	5·04	·72	·005	·12
A sample taken from a supply pipe in the Fort.	5·04	·72	·005	·12
A sample taken from the supply pipe of the Crawford Markets	5·04	·76	·01	·18
A sample drawn direct from the main at Carnac Bunder...	5·60	·76	·04	·17
Sample obtained from water barge "Bheestie."	7·00	·81	·36	·19
Do. do. "Paniwalla."	5·60	·76	·36	·19
1 sample bottle obtained from ship "Othello."	...	·96	·02	·16
2 Do. do. "Mary Stenhouse."	...	1·06	·01	·23
3 Do. do. "Ellen Bates." ...	...	1·16	·02	·22
4 Do. do. "Celestial Empire."	...	·96	·02	·25
5 Do. do. "Canute."	...	·96	·02	·23
6 Do. do. "City of Richmond."	...	·96	·02	·25
7 Do. do. "Kempreore" ...	...	...	·03	·25
8 Do. do. "Strathclyde." ...	...	...	·02	·21

W. GRAY, Surgeon,
Acting Chemical Analyser to Government.

(True Copy.)

HENRY MORLAND,
Acting Secretary, Bombay Port Trust.

Bombay, 10th May, 1875.

No. 3030 OF 1875.

MUNICIPAL COMMISSIONER'S OFFICE, BOMBAY, *2nd June*, 1875.

J. GORDON, Esq., Secretary, Chamber of Commerce, Bombay.

SIR,—In continuation of my predecessor's letter No. 2765 of the 17th ultimo, on the subject of the quality of Vehar water supplied to the shipping, I have the honour to forward herewith, for the information of the Chamber, letters containing the results of the analysis since made by the Government and another analyser, and Dr. Weir's present and former communication on the same subject.—I have, &c.,

H. E. JACOMB,
Acting Municipal Commissioner.

No. 3181 OF 1875.

MUNICIPAL COMMISSIONER'S OFFICE,
PUBLIC HEALTH DEPARTMENT,
BOMBAY, *27th May*, 1875.

To the MUNICIPAL COMMISSIONER for the CITY of BOMBAY.

SIR,—I have the honour to acknowledge the receipt of your No. 2764 of 1875 forwarding a letter from the Port Trustees with a Report No. 162 of 1875 from the Chemical Analyser to Government on samples of water examined by him. I will mainly confine my attention in this report to the analyses of waters that have been drawn from pipes in the city. On examining Dr. Gray's analyses of the four samples of water taken from pipes in the town, you will observe the small quantity of chlorine they all yielded: with the exception of No. 4 they contain but a small amount of free ammonia. The solids are also small in quantity. As regards the albuminoid ammonia I may mention that albuminoid ammonia is a term used to designate the organic impurities derived from vegetable or animal substances which contain nitrogen, but excluding urea and Hippuric acid that are found in water. Wanklyn, Chapman, and Smith, first applied the term to the ammonia obtained from nitrogenous matters in water by the action of Potassio Permanganate on them. Albuminoid matter is dreaded because it may have been at no remote period a portion of the excretæ of a person affected with cholera or typhoid fever. According to Wanklyn, a good water ought not to yield more than ·08 parts per million =·0056 grains per gallon of albuminoid ammonia, and he says that over·10 per million it ought to be looked on with suspicion, and that over ·15 it ought to condemn a water absolutely. Taking Wanklyn's figures for our guide, two of the samples from the Crawford Markets and from the Carnac Bunder would have to be condemned as they contain more than ·15 parts per million of albuminoid ammonia. Looking at these figures we would be led to conclude that the purity of our water had sadly deteriorated of late, and that

we were in imminent danger of being poisoned by an impure water supply. But this is not the case, and we can easily satisfy ourselves of it by a reference to previous analyses that have been made. I shall, however, presently allude to them. But the fact is that if we are to place any confidence in analytical results we can only come to one conclusion that the Vehar water instead of decreasing in purity has vastly improved of late. In the table below the amount of albuminoid ammonia found by Dr, Gray in the four samples he examined, and the results arrived at by Dr. Lyon after a series of examinations at different times of the Vehar water are shown :—

	Dr. Gray's Analysis.				Dr. Lyon's Analysis.			
	Sample drawn from supply pipe of Grant Medical College.	From Fort.	From Crawford Markets.	From Carnac Bunder.	April 1, 1869.	June 1, 1869.	July 1, 1869.	July 30, 1871.
Albuminoid Ammonia	·12	·12	·18	·17	·13	·19	·18	·30

In a letter published in the *Times of India* in May 1871, Dr. Vicajee, Assistant to the Chemical Analyser to Government, gives two analysis of Vehar water, one made by Dr. Lyon and the other by himself. The water examined by Dr. Lyon yielded ·0092 grains per gallon = ·13 parts per million of albuminoid ammonia, and the sample analysed by Dr. Vicajee contained ·0218 grains per gallon = ·31 parts per million. Now contrast the results of these analyses with Dr. Gray's, and what do we find that, with the exception of three samples, they were all more impure than the most impure of the waters examined by Dr. Gray, and that none of them were as pure as the water drawn at the Grant Medical College and in the Fort. You will observe that the amount of albuminoid ammonia varies a good deal, the natural conclusion from this is that the Vehar water has not an uniform standard of purity, and that it is altering and constantly changing in quality. The most remarkable feature in the analysis is the small quantity of chlorine shown. This appears to me to indicate that the organic impurity in the water is of vegetable rather than of animal origin, and that sewage is not the source from which the albuminoid ammonia has sprung. It is scarcely possible that sewage could have found its way into the water pipes, and not a greater amount of chlorine to have been detected. The increase of albuminoid and free ammonia in the water between the Grant Medical College and Carnac Bunder is not so easily

explained, and until a further series of examinations of the water have been made, it is difficult to explain or assign a reasonable cause for the increase. Looking to the amount of chlorine in the water, I think it will be found to be due to other causes than the admission of sewage into the water.

As far as my opinion goes, I would hesitate to condemn the worst of the four waters, and I do not think that the drinking of any of them would give rise to diarrhœa.

As regards the water obtained from the ships. They are with one exception, as Dr. Gray says, "no longer drinkable," and in the interests of the crews in the harbour a thorough and searching examination of the tanks in which the water is conveyed to the ships should be made. While I would not condemn any of the four samples taken from water pipes in the city, still I think that the time has come when the Vehar water should be delivered in a filtered condition. For the most impure of the waters that have been examined by Dr. Gray could be reduced by filtration to within the limits assigned to the purest waters. A very good instance of what can be done by filtration is afforded by the water which escapes from the waste pipe at Vehar. It is clear and transparent, and has been merely filtered by passing through the dam, and I venture to predict that it will be found to yield but a trace of albuminoid ammonia. The water delivered in the city ought to be in this condition, no matter what it might cost, and as the Municipality have gone to the cost of impounding a vast mass of water for the use of the city, it would be only a little additional cost to filter it and deliver it in such a state of purity as to set the public mind at rest for once and all. As regards the pollution of the water at the Carnac Bunder by the exhalations arising from the night-soil discharged into the harbour, I do not think that the water is tainted by the smell from the night-soil, and as I have already in my No. 2760 of 1875 given my rensons for holding this view, I do not think it is again necessary to discuss the question.

In conclusion, I have to inform you that on Monday last I went out to the Vehar Lake and drew two samples of water, one from the lake, a short distance from the shore and close to the tower, the other from the waste pipe, and sent them on next morning to Dr. Gray for analysis. Yesterday I again sent Dr. Gray two samples of water drawn from the pipe to the south-east of the night-soil out-let. Dr. Gray has kindly promised to analyse these waters, and as soon as I receive his report, I will send it on to you. —I have, &c.,

T. S. WEIR, Health Officer.

No. 2760 OF 1875.

BOMBAY, 12*th May*, 1875.

From Surgeon T. S. WEIR, the Executive Health Officer, Bombay Municipality, to the MUNICIPAL COMMISSIONER, through the Executive Engineer.

SIR,—In continuation of my No. 2711 of 1875, I have the honour

to submit the following report on the letter of the Chamber of Commerce forwarded to me under your No. 2444 of 1875.

As regards the water supplied to the shipping by the Port Trustees, it is taken from a pipe nearly 400 feet to the north of the mouth of the night-soil pipe with which it has no connection whatever, and unless the night-soil was discharged when the tide was flowing in, it could never come near where the boats lie to take in water. The position of the boats, their distance from the point at which the night soil is discharged into the harbour preclude entirely in my opinion the supposition that the water which they receive while it is passing into their tanks or during the time it remains in them while they are taking in their supply of water could be tainted by the vapours arising fron the night soil while it is being poured into the sea and floating down the harbour.

The point at which the ferry boats get their water is about 115 feet to the north of the night-soil pipe. But the pipe from which Abba Ibrahim and Sulliman Pinwannee draw their supply is about 49 feet to the south-west of the mouth of the night-soil pipe. There is no connection between this pipe and the night-soil pipe; I shall not say anything regarding the course of these water pipes or the changes that have been effected in them, as the Executive Engineer is better able to speak on the subject than I am. It will, however, be observed that the pipe from which Abba Ibrahim and Sulliman Pinwannee get their supply of water is to the windward of the night-soil pipe and out of the drift of the night-soil. This is a point of great importance in determining the question whether the water while it is passing into the tanks in the boats and standing in them during the time the boats are taking in their supply is likely to be polluted by the odours given off from the night-soil while it is passing down the harbour.

The expression "thick with pollution" made use of in the 2nd para. of the Chamber's letter with reference to the atmospheric conditions around the Carnac Bunder is tended to convey a very false impression regarding the state of the atmosphere in this important part of the city. One would be led to suppose on reading it that the air was thick with particles of ordure which were floating around on all sides, and that a thick exhalation of poisonous vapours unceasingly arose from the waters of the harbour at the meeting of the night-soil with them. But such is not the case. The discharge of the night-soil into the harbour does not go on during all the hours of the day. It is not continuous, and when the night-soil is not being discharged into the harbour, I do not think that any one would venture to assert that the air of the Carnac Bunder pier was more impure than the atmosphere around any of the Bunders lining the harbbur foreshore. Assuming that the water supplied to the shipping is not perfectly pure, and yet not so impure as to cause diarrhœa amongst those drinking it, then the impurity in the water must come from one of two sources, either from organic matter having found its way into the pipes in the city or from a foul condition of the tanks in which the water is stored and conveyed to the shipping. As regards the first the only satisfactory way of solving the point is by a thorough and careful exami-

nation of the water pipes which is now being done by the Executive Engineer. A careful examination of the tanks in which the water is conveyed to the shipping should be made at once. Those belonging to the Port Trustees are cleaned regularly, I believe every week; as regards the tanks belonging to Abba Ibrahim and Sulliman Pinwannee, steps should be at once taken to ascertain whether they are fit for the storing of drinking water.

As the correspondence which has appeared in the papers on the impurity of the water may have an alarming effect on the public mind, it may not be out of place for me to make a few remarks on one or two points that have been raised in the discussion. One view is that the water while it is passing into and standing in the tanks becomes tainted by the putrid state of the atmosphere of the Carnac Bunder caused by the discharge of the night-soil into the harbour when the tide is running out for a few hours out of every 24, but this opinion may, I think, be altogether put aside as chimerical.

From enquiries I have made I find that none of the crew of the Port Trust water boats have been lately suffering, or are now suffering, from diarrhœa or dysentery, and yet they ought to be affected if the water was so charged with impurities as to cause diarrhœa among the shipping. It would be well before attributing the diarrhœa and dysentery that is said to have been prevalent among some of the crews in the harbour to the water they have been drinking to satisfy ourselves that there were no other sources from which these diseases could have been derived. At this time of the year diarrhœa is always prevalent, and the occurrence of cases of it among the shipping is not to be unexpected, nor ought it to surprise us.—I have, &c.,

T. S. WEIR, Health Officer.

BOMBAY, 1*st June*, 1875.

RIENZIE WALTON, Esq., Executive Municipal Engineer.

SIR,—We beg to forward Mr. Wilson's analysis of the three samples of water sent us, A, B, and C.—Yours, &c.,

G. D. EMDEN,
Per pro. Rogers & Co.

NOTE:—
Sample A—Was taken at the bottom of Syud Abdul Rahmon Street from the 7 ft. main running to Carnac Bunder.
Sample B—From the same main near Carnac Bridge.
Sample C—From the 2 ft. pipe for supply of native craft.

M. G. MACKINNON.

1st June 1875.

LABORATORY, BELLASIS ROAD, 1*st June*, 1875.

RIENZI WALTON, Esq., Municipal Engineer.

SIR,—I have the honour to submit the results of my examination of the three samples of water, A, B, and C, forwarded to me for analysis. The solid matter, chlorine, and hardness, are almost the same as

found in the Vehar water, an analysis of which I have just made obtained from the pipe in Messrs. Rogers & Co.'s soda-water manufactory.

Organically considered the three samples of water under consideration are not quite so good as the Vehar water was last year about this time. Analyses made by me on June 7th, 11th, and 12th, are appended. There is a slight increase in the ammonia from albuminoid matter in the three samples, as will be seen under that head, although in a very carefully made analysis by me on the 11th June 1874, the albuminoid ammonia of the Vehar water was exactly the same as found in sample A, viz., ·12 parts per million.

The samples A, B, and C, were examined for organic matter after passing them through a layer of animal charcoal with the following results :—

	Free Ammonia.	Albuminoid Ammonia.
A—Before filtering.....	·03	·12
Same after filtering...	·03	·08
B—Before filtering.....	·02	·15
Same after filtering...	·02	·08
C—Before filtering.....	·05	·11
Same after filtering...	·06	·075

Showing that by filtration a water scarcely fit for drinking may be made tolerably good.

I am of opinion the organic matter found in the waters A, B, and C, is entirely of vegetable origin, and that none of the three samples are contaminated either with sewage or decaying animal matter.

As examples of sewage contaminated water, the following may be cited :—

Well on Maidan near Crawford Markets	11·865	Grains of chlorine per gallon.
,, on Duncan Road	19·300	
,, on Paloo Street	12·920	
,, on Mody Street	16·150	
,, near Church Gate Street	14·910	

Showing that sewage contaminated waters invariably give considerable quantities of chlorine; whereas the chlorine in none of the three samples exceed in amount that which is found in most good drinking water, which is from ·07 to 1·2 grains per gallon.

A considerable quantity of green alga containing a small amount of oxide of iron was in all three samples, but this I easily removed by straining.

In conclusion, the samples A, B, and C, properly filtered, are fairly pure waters for drinking, and for Indian waters would be considered good.—I have, &c.,

J. H. WILSON, Ph. Chemist, Analyst,
Government Cert. Chemist,
Per pro. Rogers & Co.

ANALYSIS OF WATERS A, B, & C, FROM EXECUTIVE ENGINEER'S OFFICE.

	Grains per Gallon.						Parts per Million.				Degrees.
	Solids.	Solids.	Chlorine.	Chlorine.	Ammonia from Nitrates.	Loss on Ignition.	Ammonia Free.	Ammonia Free.	Ammonia from Albuminoid matter.		Hardness.
Sample A	7·	7·2	·90	·90	·33	3·5	·03	·03	·12	·12	4·3
„ B	7·4	7·4	·90	·90	·33	3·5	·02	·02	·15	·14	4·4
„ C	7·2	7·3	·855	·85	·39	3·1	·05	·06	·10	·11	4·4
Vehar, June 7th, 1874 ...	7·	...	·904	...	...	...	·04	...	·08	...	...
„ „ 11th, 1874 ...	7·2	...	·904	...	...	...	·04	...	·12	...	...
„ „ 12th, 1874 ...		...	...	...	...	...	...	...	·12	...	...

J. H. WILSON, Ph. Chemist, Analyst.

Bombay, 31st May 1875.

No. 196 OF 1875.

CHEMICAL ANALYSER'S OFFICE, BOMBAY *27th May*, 1875.

From the ACTING CHEMICAL ANALYSER to GOVERNMENT, to the EXECUTIVE HEALTH OFFICER, Bombay Municipality, Bombay.

SIR,—I have the honour to furnish you with the results of my analysis of two samples of water received from you on the 25th instant, namely, No. 1, a sample taken from the Vehar Lake itself, and No. 2, a sample from the waste pipe of the Lake.

The following figures show their composition:—

	Solids.	Chlorine.	Free Ammonia.	Albuminoid Ammonia.
No. 1 Lake	6·44	·77	·01	·13
No. 2 Waste Pipe ...	7·00	·67	·12	·02

You will see that the ammonia determinations differ remarkably, and in the physical characters of the waters there was an equally great difference, the sample from the lake, No. 1, being clouded and having a decided odour of decayed leaves, while the sample from the waste pipe, No. 2, was perfectly clear and transparent, and was at the same time destitute of smell. No. 1 is almost similar to the water taken from the College garden pipe. No. 2 appears to be the same water, but which has had its organic matter oxidised by exposure to the action of air.—I have, &c.,

W. GRAY, Surgeon,
Acting Chemical Analyser to Govt.

No. 203 OF 1875.

CHEMICAL ANALYSER'S OFFICE, BOMBAY 1*st June*, 1875.

From the ACTING CHEMICAL ANALYSER to GOVERNMENT to the EXECUTIVE HEALTH OFFICER, Bombay Municipality, Bombay.

SIR,—I have the honour to submit herewith the results of the analysis of a sample of water labelled "Water taken from 2 ft. pipe for supply of native craft. 26th May 1875."

The water arrived here on the afternoon of the 27th, and was examined on the following evening, *i.e.*, three days after it was drawn.

Solids.	Chlorine.	Free Ammonia.	Albuminoid Ammonia
Grains per gallon.		Parts per Million.	
6·44	·79	·01	·15

The water was clear, slight vegetable sporules floating, and some brownish sediment at the bottom.—I have, &c.,

W. GRAY, Surgeon,
Acting Chemical Analyser to Government.

APPENDIX N.

———:o:———

GENERAL MANIFESTS IN WHICH AGENTS OF VESSELS ARE ENTERED AS CONSIGNEES OF THE ENTIRE CARGO.

Report of the Special Committee determined upon at a Meeting held in the offices of the Chamber of Commerce on Friday, the 8th January 1875, at 4 o'clock P.M.

Present :

H. Maxwell, Esq., Chairman.
G. F. Henry, Esq.
David Watson, Esq.
Donald Graham, Esq.
John Y. Lang Esq.

The Special Committee having had under consideration the correspondence ending with letter No. 4483, dated 21st August 1874, from the Chief Secretary to Government, in which it is stated that His Excellency the "Governor in "Council is unable to authorize the Commissioner of "Customs to continue the practice of accepting the 'General "Manifest' in which the agents of steamers are entered "as the consignees of the entire cargo : that such a docu- "ment is obviously fictitious, and the acceptance of it might "expose the Customs authorities to serious liabilities if "damage or loss were caused to the real consignees," report as follows :—

The Committee are of opinion that the present system of accepting the General Manifests could not be stopped without seriously inconveniencing the trade of the port. The Act does not appear to them to require that the name of the consignee of cargo should be stated in the Manifest, but as His Excellency in Council thinks otherwise, they are of opinion that the difficulty will be overcome by the owners

of steamers which require despatch leaving a responsible agent at the port. It would be no hardship on steamship owners to give a responsible agent, and the hardship on consignees would thereby be removed.

The Committee see no direct remedy but in an alteration of the Act, and in the meantime they suggest that the Committee of the Chamber should press upon the Government the necessity of authorising the Commissioner of Customs to continue to act as at present, but to guard himself by taking a guarantee from the agents of the ship for any just claim that may arise.

H. MAXWELL, Chairman.
J. GORDON, Secretary.

APPENDIX O.

———:o:———

RAILWAY CARTING AGENCY, &c.

BOMBAY, *19th November*, 1874.

To J. GORDON, Esq., Secretary, Bombay Chamber of Commerce.

SIR,—We acknowledge the receipt of your letter of the 7th September last, replying to a letter dated 31st July last, which was signed by a large number of the members of the Chamber and many native merchants, and requested the Committee of the Chamber to call a Public Meeting of the Merchant Community, in the Chamber's rooms, for the purpose of discussing and passing resolutions on the necessity for improvement in the railway carting arrangements, the station accommodation for goods and the treatment of the bullocks employed by the railway carting contractors in Bombay.

The substance of your reply is (1) that as the Government of India has already taken up the carting agency question, and has been addressed by the Government of Bombay on the subject, any action on the part of the Chamber is now unnecessary; (2) that it is not within the scope of the Chamber to deal with the ill-treatment of the bullocks employed in carting cotton; and (3) that, as the need for better station accommodation in Bombay has never been brought to the notice of the Chamber, more detailed information is required to enable the Committee to deal with the subject.

With respect to the carting arrangements, we beg respectfully to state that the reason alleged by your Committee, instead of obviating the necessity for interference on the part of the mercantile community, makes it, in our opinion, imperative, that the matter should be fully discussed, and exact information regarding the merchants' wishes be laid before Government for its guidance.

It is of course quite true that it is open to every one to prosecute any person ill-treating bullocks or any other animals; but the evil to which we drew your attention is too great to be dealt with by the ordinary laws of the country. Such a large number of bullocks is employed in the season that a few daily convictions would produce no effect—the fines would no doubt be paid without demur, and the over-loading continued. We think your Committee will, on re-consideration, be inclined to admit that a Chamber of Commerce can take notice of any abuse connected with trade without being liable to be accused of departing from its proper sphere of duty. The over-loading of the bullocks is undoubtedly a great abuse con-

nected with trade, and we believe that a representation made to the railway companies by a Public Meeting of Merchants would be more effectual than systematic prosecutions of the poor bullock-drivers who have but little choice in the matter.

We think you will find that your Committee were in error in thinking that the defective station accommodation for goods has not yet been before the Chamber. The subject was discussed at a General Meeting of the Chamber more than a year ago. If the members of the Committee will, however, visit the three principal goods stations in Bombay, they will see for themselves that there is absolutely no accommodation, that ballast and rails have simply been laid down in open "Maidans," and that the contents of goods waggons are unloaded on to the ground just as they would have been had the waggons been carrying earth or ballast instead of valuable goods. The result naturally is that bales of half pressed cotton nearly always lose weight in transit, and that a large proportion of the full-pressed bales has to be re pressed in Bombay.

The railway companies charge heavy terminal rates, and ought, in common fairness, to give something in return; but, so far, they have not even erected a crane to lift the cotton bales from the waggons.

We trust that the additional information laid before the Committee in this letter will be deemed sufficient to justify a reconsideration of their former decision, and that they will decide to call a Public Meeting for the desired purpose as soon as may be convenient. In order to save time, we send this letter with only a few signatures attached; but, should the Committee wish it, we will obtain the signatures of some more of those merchants who signed the letter of the 31st July.—We have, &c.,

NARANDAS RAJARAM & Co.
CURSANDAS VULUBHDAS.
SAMJEE LUDHA.
GADDUM & Co.

To J. H. MORRIS, Esq., Chief Commissioner of the Central Provinces, Nagpore.

SIR,—I am directed by the Committee of the Chamber of Commerce to acknowledge, with thanks, the receipt of your valuable and interesting Report on the Trade and Resources of the Central Provinces for the year 1873-74, and, in connection therewith, to address you on the subject of the high rates charged by the G. I. P. Railway Company for the conveyance of produce and merchandise, and on the effect which these high rates must exercise in impairing the agricultural resources and the trade of the districts traversed by their lines.

The position of the G. I. P. Railway, which penetrates the Central Provinces, from its base at the chief Port of the Western Presidency, practically gives to the G. I. P. Railway Company a monopoly of the carriage of produce and goods, which, as they have little or no competition to contend with, they have, without any regard to the numerous interests affected, and the country generally, always been enabled to take advantage of to the utmost. Their rates for nearly all the principal articles of Export and Import are much higher than the rates of other Indian Railway Companies, and have contributed materially to the commercial depression which has for some years existed in this Presidency. The illiberal, exacting, policy of the G. I. P. Railway Company has been a source of constant complaint from the mercantile community. So recently as the 9th December last, a Public Meeting assembled in the rooms of the Chamber to consider the question of the exorbitant terminal charges levied by the Company not only at Bombay, but also at the sending stations up-country. For instance, on a ton of full-pressed cotton sent from Jubbulpore to Bombay, a terminal of Rs. 1-2-1 was charged at Jubbulpore, and another of Rs. 3-15-0 at Bombay, together Rs. 5-1-1, which did not include collection at the former place, but included delivery at the latter. Shortly after the date of the Meeting, the Company reduced the up-country terminal to 12 Annas and 5 Pies, and the Bombay terminal to Rs. 2-7-1 per ton, but they at the same time discontinued delivering the goods. Their charge for terminals, then, on a ton of cotton sent from Jubbulpore to Bombay is Rs. 3-3-6, although the cotton is neither collected nor delivered by the Company. Generally, in all towns in England (except London), the fair rate for terminals is considered to be 4 shillings per ton, but this includes collecting and delivering at both ends. It is the high price of land in towns on which the English Railway Companies found the justice of their claim for terminal charges, but this cannot apply to the Indian Railways, whose land has all been given by the Government free of cost. But high terminal charges are not the only grievance which the mercantile community has against the G. I. P. Railway Company: their mileage rates are also unreasonably high; and the Meeting of the 9th December determined that, in addition to the question of terminal charges, the various rates of the Company's tariff should at the same time be enquired into and laid before

Government. I have now the honour to enclose six printed copies of the proceedings of that Meeting, and to request your attention to the remarks of Mr. Lang, on page 8, and to those of the Honourable Mr. J. K. Bythell, on page 10, of the proceedings.

Mr. Lang, it will be observed, says that in the important article of wheat we are unable to compete with other countries, because the G. I. P. Railway Company charge such a prohibitive rate of freight that they strangle the trade. Again, he says that there were then thousands of tons of wheat rotting in the interior for want of a market, and that if this trade were met in a liberal spirit by the G. I. P. Railway Company, the amount available for export would be unlimited.

The Committee have no means of judging of the accuracy of the statement that in December last there were thousands of tons of wheat rotting in the interior for want of a market, nor, if such were the case, have they any means of knowing how much of this was due to exorbitant railway charges, and how much to the difficulties and heavy cost of transit, by carts and pack bullocks, from the interior of the districts to the railway stations. That, however, large quantities of the produce of the Provinces under your administration were withheld by the cultivators, in excess of requirements for local consumption, would seem to the Committee to be apparent from a comparison of the extent of the cultivated area of a few of the great articles of production, as shown on page 15 of your Report, with the quantities exported from the Provinces. There were 3,496,135 acres sown with wheat, 5,137,640 acres with other food-grains, and 864,297 acres with oil-seeds, while the total exports from the Provinces were—of wheat, 61,310 tons, of other food-grains 46,088 tons, and of oil-seeds, 15,547 tons. The produce which, it would thus appear, was retained in the interior would, the Committee are disposed to believe, notwithstanding the difficulties and heavy cost of transit from the districts, by carts and pack bullocks, have been forwarded to Jubbulpore or other stations, if the cultivators could have felt assured of finding a market. Now, in the competition of the day, a very small increase in the cost of an article materially influences the operations of merchants. In illustration of this, I may mention that when His Excellency the Viceroy, in January 1873, with the view of encouraging the trade in

wheat, abolished the Imperial Export Duty of 3 per cent., the export rose from 96,624 cwts. in the preceding year, to 452,944 cwts. in the year ending 31st March 1874, and to 633,681 cwts. in the year ending 31st March 1875. During the last two years, however, prices in England having fallen, the demand here for a time fell off, merchants finding themselves unable to compete with other countries. Had the G. I. P. Railway Company's rates been reasonable there would, the Committee believe, have been no lull in the demand, all the wheat in the interior would, it is reasonable to suppose, have been sent forward, and a much greater area cultivated, for there is no more powerful incentive to extended cultivation than the knowledge of the ryot that he has a certain market for his produce. But the policy of the Company is entirely opposed to the intentions of the Government, among whose principal objects in sanctioning the construction of railways in India were the multiplication of produce, and the consequent increase of the national wealth.

Of the various descriptions of produce grown in the Central Provinces, wheat, other food-grains, and oil-seeds, are the articles best adapted for comparing the railway rates, not only because of their magnitude, but because they are exported largely from this Port, and from Calcutta, to Europe. The G. I. P. Railway Company's charges for conveying a ton of these articles between Bombay and Jubbulpore, a distance of 616 mile, and the East Indian Railway Company's charges for conveying a ton from Jubbulpore to Calcutta, a distance of 784 miles, are as follow :—

	G.I.P. Railway Bombay to Jubbulpore— 616 miles.			G.I.P Railway Jubbulpore to Bombay— 616 miles.			E. I Railway Jubbulpore to Calcutta— 784 miles.		
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.
Wheat	24	0	0	24	0	0	24	0	0
Other food-grains ...	24	0	0	24	0	0	24	0	0
Seeds (common) ...	34	15	2	34	15	2*	24	0	0
Cotton (full-pressed) ...	50	1	3	46	4	6	46	0	0

Although the distance is 168 miles less, yet the charge for conveying grain and cotton from Jubbulpore to Bombay is about the same as it is from Jubbulpore to Calcutta, while for seeds it is no less than Rs. 10-6-0 per ton higher; and the comparison further presents the curious anomaly of the

* The rate for common seeds from Jubbulpore to Bombay has, the Committee understand, been recently reduced to Rs. 23-3-3 per ton; but on this point, no information, although applied for, has yet been sent to the Chamber.

charge for full-pressed cotton from Bombay to Jubbulpore, in which direction little cotton can be expected to go, being Rs. 4 per ton higher than the charge from Jubbulpore to Bombay, the route to the chief port of India for foreign exportation.

Again, the following table shows the rates charged by the G. I. P. Railway Company from Khundwa, another important station in the Central Provinces, on that Company's Main Line, to Bombay, a distance of 352¾ miles, and the rates charged by the E. I. Railway Company, for the same classes of goods, over nearly corresponding distances :—

	G. I. P. Railway Khundwa to Bombay— 352¾ miles.	E. I. Railway Jubbulpore to nearest corresponding distance, say, Cawnpore— 348 miles.	E. I. Railway Company Howrah to nearest corresponding distance, say, Bihtah— 355 miles.
	Per ton.	Per ton.	Per ton.
	Rs. a. p.	Rs. a. p.	Rs. a. p.
Wheat	... 15 0 0	10 14 3	10 14 3
Other food-grains	.. 15 0 0	10 14 3	10 14 3
Seeds (common) per ton.	2? 0 0	10 14 3	1? 9 11
Cotton	... 28 8 0	19 15 0	19 0 10

It is here seen that the G. I. P. Railway Company's charges exceed those of the East Indian Railway Company by Rs. 4 per ton for wheat and grain, Rs. 11 per ton (or 100 per cent.) for common seeds, and Rs. 8 per ton for cotton.

The exports of these articles from the Central Provinces, from the G. I. P. Railway to Bombay, and from the E. I. Railway to Calcutta, were as follow :—

	G. I P. Line to Bombay.	E. I Line to Calcutta.
Wheat	35,078 tons.	... 18,238 tons.
Other food-grains	11,169 „	... 24,965 „
Oil-seeds...	8,449 „	... 2,541 „
Cotton	1,913 „	... 461 „

These figures, however, are useless for purposes of comparison, or as showing the effect of the railway charges on exportation to the respective Ports, for the bulk of the wheat and seeds exported from the Central Provinces is grown in the districts lying between Jubbulpore and Khundwa, which greatly reduces the distance, Khundwa being only 352¾ miles from Bombay. But it will be observed that, of "other food-grains" exported, 24,965 tons went to Calcutta in spite of the greater distance, while only 11,169 tons came to Bombay, which gives, the Committee consider,

a fair illustration of the natural result of the shortsighted and mischievous policy adopted by the G. I. P. Railway Company.

Turning now to Nagpore, we find that where the G. I. P. Railway Company are relieved of the competition of the East Indian Railway Company, as at Jubbulpore, which, however, is 168 miles more distant from Calcutta than it is from Bombay, their rates present a still more unfavourable contrast, when compared with those of the E. I. Railway Company for similar distances.

	G. I P. Railway Bombay to Nagpore— 519¾ miles.	G. I. P. Railway Nagpore to Bombay— 519¾ miles.	E I Railway Jubublpore to nearest corresponding distance, say, Hattrass— 521 miles	E. I. Railway Howrah to nearest corresponding distance, say, Gaepoora— 521 miles.
	Rs. a. p.	Rs a. p.	Rs a. p.	Rs a. p.
Wheat ..	20 13 8	20 13 8	16 5 4	16 5 4
Other food-grains ...	20 13 8	20 13 8	16 5 4	16 5 4
Seeds (common) ...	30 15	3 15 0	16 5 4	16 5 4
Cotton ..	43 2 9	54 9 0	29 14 0	28 0 0

Taking, however, a station in the Central Provinces, on the G. I. P. Railway, less distant than Nagpore, say Murtizapore, and nearly corresponding distances on the East Indian, and Bombay Baroda and Central India Railways, so as to embrace the latter Company's charges in the comparison, we find that the charges per ton made by each Company are as follow:—

	G I P. Railway Bombay to Murtizapore— 386 miles.	G. I. P. Railway Murtizapore to Bombay— 386 miles.	E I. Railway Jubbulpore to Jheejuck— 387 miles	E.I. Railway Howrah to Beechea— 382 miles.	B. B. & C. I. Railway Wudwan to Bombay— 3-9¼ miles.
	Rs. a. p.	Rs a. p.	Rs a. p.	Rs. a. p.	Rs. a. p.
Wheat ...	16 2 9	16 2 9	12 3 6	12 0 0	15 0 7
Other food-grains ..	16 2 9	16 2 9	12 3 6	12 0 0	15 0 7
Seeds (common) ...	23 10 0	23 10 0	12 4 0	12 0 0	15 0 7
Cotton (full-pressed).	33 7 6	41 5 6	20 12 4	20 8 0	15 0 0

The B. B. and C. I. Railway Company's charges, particularly for cotton, appear to be regulated by the competition of the sea-borne traffic, and where the competition is active, such as at Wudwan, for the Dhollera crop, the charges are reasonable. The Committee, however, abstain from troubling you on this occasion with any remarks upon that Company's rates generally, which will form the subject of a separate communication to Government: at present they desire to impress upon your attention the very high rates comparatively of the G. I. P. Railway Company, as shown in the above table, for the conveyance to this Port of the

principal articles of export, and the injurious effect which these high rates must have in retarding the development of the fertile Provinces under your administration. Their charge for the conveyance of cotton is, it will be seen, nearly three times greater than the B. B. and C. I. Railway Company's charge from Wudwan, and about twice greater than the E. I. Railway Company's ordinary charges, for similar distances. Yet this article, since the opening of the Suez Canal, has been exported to Europe, at great risk, and for the least possible amount at which it could be remunerative, and has to contend, in European markets, against annually increasing supplies, of better quality, from other countries. Their charge for the conveyance of seeds is sufficiently high to curtail, if not to destroy, the trade in them, while, with respect to wheat, the descriptions (called Pissie) grown in the districts around Nagpore are of excellent quality, and, with a reduction in the cost of conveyance, would in all probability continue to be largely dealt in,—more especially if the Branch Line from Nagpore to Ryepore were sanctioned which, the Committee are of opinion, would be of the utmost benefit to your Provinces, to the G. I. P. Railway Company, and to the mercantile community of Bombay.

In Appendix No. IV.-A, attached to your Report, the exports to Western India, of the abovementioned articles, from the Nagpore Branch of the G. I. P. Railway, are stated as follow:—

	Tons.	Value. Rs
Cotton	... 4,700	... 22,84,578
Wheat	... 1,716	... 1,15,832
Other edible Grains ...	... 7,096	... 3,83,190
Oil-seeds	... 2,493	... 1,68,280

These quantities, considering the well-known capabilities of the Nagpore Districts, appear to the Committee to represent but a small portion of the produce which would, with proper facilities, be forwarded to this Port for export to Europe. In the General Report on the Administration of the Bombay Presidency for the year 1873-74, page 277, it is stated that the whole area of cultivable land in the whole Presidency, exclusive of the collectorates of Kanara and Kurrachee, is 29,763,754 acres, and 844,818 bighas, and that the area under cultivation was, during that year, 23,148,534 acres and 444,630 bighas. But in the statement ex-

hibiting the moral and material progress and condition of India, during the year 1872-73 (presented to both Houses pursuant to Act of Parliament), page 26, the area of the Central Provinces is put down as 36,046,250 acres, of which, it is said, a little less than a third only is cultivated, while about another third is cultivable. In addition to these important facts, your own statement that all down the G. I. P. Line, through Berar and Khandeish, the demand for produce is greater than the supply at present rates, appears to furnish ample evidence that the resources of the Provinces, and the revenues of the G. I. P. Railway Company, are alike suffering from that Company's suicidal policy.

Turning now to the merchandise imported into the Central Provinces, we find that the following were the principal articles :—

	To G I P Main Line. Value. Rs	To E. I. Railway to Jubbulpore. Rs.
Metals and Hardware	1,86,03,640	5,07,040
Miscellaneous European Goods ...	5,58,600	6,24,100
Miscellaneous	6,12,552	3,86,622
English Piece Goods...	71,79,600	27,70,600
Sugar and Goor	1,35,084	28,33,146
Salt	8,98,460	E. I. Ry. 65,000; Saugor 4,49,852
Country Cloth	5,42,480	10,29,300

The Committee having no information as to the particulars of the articles grouped in your Report under "Metals and "Hardware," "Miscellaneous European Goods," and "Mis- "cellaneous," are unable to say to which of the classes in the Railway Companies' goods rates the articles belong, and they have therefore no means of comparing the rates of the two Companies for their conveyance. For the conveyance of the remaining articles in this list the Committee are enabled to offer the following comparison of the charges of the two Companies :—

	G. I. P. Railway Bombay to Jubbulpore —616 miles. Per ton. Rs. a. p.	G. I P. Railway Jubbulpore to Bombay —616 miles. Per ton. Rs. a p.	E I. Railway Howrah to Khaga —616 miles. Per ton. Rs. a. p.	E. I. Railway Howrah to Jubbulpore —784 miles. Per ton. Rs. a p.
Erglish Piece Goods, Country Cloth, and Cotton Twist, Un-Pressed	63 9 0	63 9 0	59 0 0	75 0 0
Do. do. Pressed ...	47 13 0	47 13 0	44 2 0	56 0 0
Sugar	35 0 0	35 0 0	21 13 0	27 12 0
Salt	23 3 6	28 3 0	21 13 0	27 12 0

This table shows that for the conveyance of English Piece Goods, Cotton Twist, and Country Cloth, the G. I. P. Railway Company's charge from Bombay to Jubbulpore, 616 miles, which, until recently, was higher by Rs 20 per ton than the E. I. Railway Company's charge from Calcutta to Jubbulpore, a distance of 784 miles, still exceeds the E. I. Railway Company's charge, for corresponding distances, by Rs. 4 per ton. For Salt, which is a necessary of life, the rate from Bombay to Jubbulpore is about the same as the rate charged for similar distances over the E. I. Line, while the rate from Jubbulpore to Bombay is about Rs. 6 per ton higher. But with regard to Sugar, the rate between Bombay and Jubbulpore, 616 miles, is Rs. 7 per ton above the rate from Calcutta to Jubbulpore, 784 miles, and Rs. 13 per ton in excess of the rate for corresponding distances on the E. I. Railway, although the Sugar which comes by the E. I. Railway to Jubbulpore is grown in the country, while the bulk of that which is sent from Bombay has borne an Imperial Import Duty of 7½ per cent., which has however, since the 6th instant, been reduced to 5 per cent.

The Committee have dealt with a few only of the chief articles exported from, and imported into, the Central Provinces, as instances of the high rates charged by the G. I. P. Railway Company for the conveyance of goods, but the Company's rates generally are high and demand thorough revision. Perhaps in no another Railway Company's goods tariff could such an anomaly be found as the charge for the conveyance of grain from Jubbulpore to Bombay being almost identical with the charge for the conveyance of oil-seeds from Khundwa to Bombay, although the difference in the distance between the two places is 263 miles.

As regards the effect of the high railway charges on the produce and the trade of the Central Provinces, the Committee feel that it cannot be better or more comprehensively described than in the language of the 2nd para. of page 4 of your Report, which, though referable to the saving in the cost of transit, if the contemplated railway were constructed, is equally applicable to the high, and often prohibitive, charges of the G. I. P. Railway Company :—"Every "cheapening of rice, wheat, and grain generally, in the "depots of Nagpore, by enhanced importation from Chat-"tisgarh at lower transit charges by rail, will increase the

"demand for grain all down the G. I. P. line through Berar "and Khandeish, where the demand is greater than the "supply at present rates; and every additional rupee "thus put into the pockets of the Chattisgarh ryot by "the disposal of his hitherto unsaleable agricultural "surplus, will attract, under more favourable conditions "than at present, fuller return supplies of salt, piece-goods, "hardware, and other articles for which he is, and has been, "almost entirely dependent on the Western Presidency "markets." They have addressed you at length on the whole question, knowing that you take the deepest interest in all measures affecting the welfare of the Provinces under your administration, and in the earnest hope that you will co-operate with the Chamber in their endeavours to obtain redress of these serious grievances. The Committee are about to press the matter on the attention of the Government of Bombay, and, with that view, they desire me to ask you if you will kindly supply them with any information on the points raised in this letter, and with any, besides that contained in your Report, which, it may occur to you, will be useful to them as showing the injurious effect of the high railway rates in diminishing the production of particular articles, or circumscribing the area of cultivation of your Provinces, in curtailing the trade, and in lessening the comforts and lowering the condition of the ryots. The Committee will do themselves the honour to forward to you a copy of the Chamber's representation to the local Government, and they will be very grateful to you if you will urge upon the Government of India the great importance of the movement, so that they may bring the weight of their influence and of that of H. M.'s Secretary of State to bear on the Board of Directors of the G. I. P. Railway Company to induce them to reduce their rates generally to a reasonable and proper level.—I have, &c.,

J. GORDON, Secretary.
J. A. FORBES, Chairman.

Chamber of Commerce, Bombay, 25th August 1875.

No. 179 OF 1875.

BOMBAY, 18*th August*, 1875.

H. CONDER, Esq., General Traffic Manager, G. I. P. Railway Company, Bombay.

DEAR SIR,—With reference to your letter No. 12028, dated 21st

May last, and the Goods Classification sent therewith, the Committee desire me to ask you if you will be so good as to inform them what changes have since been made in goods' rates. They understand that the charge per ton for the conveyance of common seeds from Jubbulpore to Bombay has since been reduced from Rs. 34-15-2, to Rs. 23-3-2, and from Nagpore to Bombay from Rs. 30-4-8 to Rs. 20-13-8, although the rates from Bombay to those places remain as previously. At all events, there does not appear to be anything on the Goods Classification sheets to show that the rates for Common Seeds *to* Bombay differed from the rates *from* Bombay, and they would be glad to know when the change was introduced, and if it applies to any other places besides Nagpore and Jubbulpore.—I have, &c.,

J. GORDON, Secretary.

No. 22290.

GREAT INDIAN PENINSULA RAILWAY,
GENERAL TRAFFIC MANAGER'S OFFICE,
BOMBAY, *2nd September*, 1875.

J. GORDON, Esq., Secretary, Chamber of Commerce, Bombay.

DEAR SIR,—With reference to your letter of the 18th of July last, I have the pleasure to enclose copies of a Circular No. 179, dated 27th of August, giving the present rates for grain from the stations named in it to Bombay.

These specially reduced rates apply only to grain booked to Bombay. They apply, however, to grain booked through from stations of the East Indian or other Railways beyond Jubbulpore. The rate from Jubbulpore to Bombay being charged as this Company's proportion of the through rate. In like manner the rate from Khundwa, shown in the Circular, is charged as this Company's proportion of the through rate for grain booked through from stations of the Holkar State Railway to Bombay. The rate for grain from other stations to Bombay and between other stations of this Railway are as given in the Classification sheet which I recently sent you.

2. With regard to seeds, the present rate for Gingelli, Linseed, Moha or Mowra, Mustard, Poppy, Rapeseed and Teelseeds from Jubbulpore, Nagpore, and other stations is as given in the enclosed list when booked to Bombay. When booked from stations not named in the enclosed list to Bombay, or between other stations, or from Bombay, the ordinary first class goods rate is charged. But with respect to these descriptions of seeds some change of rates is contemplated. I will shortly advise you further as to what is decided.—Yours, &c.,

H. CONDER,
General Traffic Manager.

SPECIAL RATES TO BOMBAY AND BYCULLA FOR COMMON SEEDS.

	Rs.	a.	p.	
Via Jubbulpore	0	13	7	per Maund.
From all stations between Jubbulpore and Harsud inclusive.	0	13	9	do.
Nagpore	0	12	4	do.
Bari...	0	14	7	do.
Sindi	0	15	0	do.
Hingunghaut	1	0	2	do.
Sonaigaom...	0	15	11	do.
Wurdah	0	15	7	do.

List referred to in para. 2 of letter No. 22290 of the 2nd September 1875 to Mr. Gordon, Secretary, Chamber of Commerce, Bombay.

H. CONDER.

REDUCTION IN THE RATE TO BOMBAY FOR GRAIN ON THE G. I. P. RAILWAY.

The Staff concerned are hereby informed that, on and after the 1st September next, the rates to be charged, over this Railway, for Grain booked through to Bombay via Jabalpur, and via Khundwa, and the rates for Grain booked from the undermentioned Stations to Bombay, are to to be as follows, viz. :—

From	Per Maund. Rs.	a.	p.	From	Per Maund. Rs.	a.	p.
Jabalpur	0	10	10	Timarni	0	8	3
Mirganj	0	10	10	Harda	0	8	1
Shahpura	0	10	10	Bhiringi	0	7	10
Chindwara	0	10	10	Khirkian	0	7	9
Karak Bel	0	10	10	Harsud	0	7	6
Narsinghpore	0	10	10	Bir...	0	7	4
Karelf	0	10	8	Jawar	0	7	1
Bohani	0	10	6	Khundwa	0	6	11
Gadarwara	0	10	4	Nagpore	0	10	0
Babai	0	10	2	Bori	0	10	0
Bankheri	0	10	0	Sindi	0	10	0
Piparia	0	9	9	Paunar	0	10	0
Sohagpore	0	9	6	Wardha	0	10	0
Semri	0	9	5	Sonaigaon	0	10	0
Bagra	0	9	3	Hingunghat... ...	0	10	0
Rampore	0	9	1	Degaon	0	10	0
Itarsi	0	9	0	Pulgaon	0	10	0
Dularia	0	8	10	Dhamangaon ...	0	10	0
Dharam Kundi ...	0	8	8	Chandur	0	10	0
Sioni	0	8	7	Amraotee	0	10	0
Pagdhal	0	8	5	Badnaira	0	10	0

Copies of a Public Notice to be posted conspicuously at Stations are sent herewith.

These rates apply to Grain only, and only when booked to Bombay. And the rates at present charged to Bombay from the above-named places will, after the end of the present month, be cancelled and withdrawn.

HENRY CONDER,
General Traffic Manager.

Bombay, 27th August, 1875.

No. 192 OF 1875.

BOMBAY CHAMBER OF COMMERCE, 13*th September*, 1875.

J. H. MORIS, Esq., Chief Commissioner of the Central Provinces, Nagpore.

SIR,—Since my letter of the 25th ultimo was despatched, a letter No. 2290, dated 2nd instant, from the General Traffic Manager of the G. I. P. Railway Company to the Chamber has been received, a copy of which and of the circular and list therein referred to, I have now, by direction of the Committee of the Chamber, the honour to enclose for your information.

The specially reduced rates for grain apply, it will be observed, only to grain booked to Bombay from stations of the East Indian or other railways beyond Jubbulpore, from the stations on the main line of the G. I. P. Railway between Jubbulpore and Khundwa, and from the stations of the Holkar State Railway; and, on the Nagpore Branch, from the stations between Nagpore and Badneira. The rate for grain from other stations of the G. I. P. Railway is unaltered, remaining at the high rate of 7 pies per ton per mile up to 400 miles, of 6 ½ pies per ton per mile from 400 to 600 miles, and of 6 pies per ton per mile above 600 miles; to which must be added the terminal charge of 11 annas per ton in Bombay, and of Rs. 1-2-0 per ton for the up-country station terminal, although the Railway Company performs neither the service of collecting or delivering the grain.

The reduction in the rates for common seeds applies to seeds booked to Bombay from the stations on the main line between Jubbulpore and Hursud, and on the Nagpore

Branch to the few stations in the neighbourhood of Nagpore, between Nagpore and Wurdah. From all other stations, the first class goods rate is charged, viz., 10 pies per ton per mile, up to 400 miles, 9½ pies from 400 to 600 miles, and 9 pies above 600 miles, to which must be added the Bombay terminal of Re. 1-6-3 per ton, and the up-country station terminal of Re. 1-2-0 per ton, although, in return for these terminal charges, no service is, as already stated, rendered by the Railway Company.

These reductions bring down the G. I. P. Railway Company's charges nearly to the level of those of the E. I. Railway Company for corresponding distances, and they will, doubtless, have a most beneficial effect on the districts, and on the trade in the articles to which they apply. It is, however, much to be regretted that the reductions in the rates for seeds are limited to so few stations, and although Mr. Conder, at the conclusion of para. 2 of his letter, refers to some change of rates being contemplated, yet the matter is too important to admit of delay, and the Chamber proposes therefore, after hearing from you, to urge upon the Government the extreme importance of bringing its influence to bear upon the Board of Directors in London to induce them to at once make their reduced rates for grain and seeds applicable to all stations, and to reduce the high rates charged for the conveyance of cotton and other articles.—I have, &c.,

J. GORDON, Secretary.

No. $\frac{3408}{146}$.

CHIEF COMMISSIONER'S OFFICE, CENTRAL PROVINCES,

NAGPORE, *24th September*, 1875.

From LINDSAY NEILL, Esq., Officiating Assistant Secretary to the Chief Commissioner, to the SECRETARY, BOMBAY CHAMBER of COMMERCE.

SIR,—I am directed by the Chief Commissioner to acknowledge receipt of your printed letter No. O, dated 25th August, and of your subsequent letter, dated 13th September, and am to express his thanks to the Chamber for their having placed before him their views on the very important question

of the rates of carriage levied by the G. I. P. line of Railway on agricultural produce and merchandize.

2. The matter is one in which the Chief Commissioner feels much interest, but it is one on which he does not feel sufficiently informed at present to form a trustworthy opinion. The point which struck him on a perusal of your printed letter was, that the rates of freight on the G. I. P. Railway were generally higher than those of the East Indian Railway, and that in this respect, the policy of the G. I. P. Railway was probably illiberal, and that your Chamber had just cause for complaint. This matter has now been rectified to some extent, and the question for decision is, whether by a further reduction of freight, the G. I. P. Railway would attract such increased traffic as to compensate for the lower freights it would charge.

3. The Chief Commissioner wishes the Chamber of Commerce every success in its attempt to lay the question before the Bombay Government, in such a manner as to bring about a reduction in the rates of carriage, and he will address the Bombay Government, and express his willingness to supply His Excellency the Governor in Council with any information and statistics of the Central Provinces which bear upon the general question.—I have, &c.,

J. W. NEILL,
For Offg. Assist. Secretary.

APPENDIX P.

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REGISTRATION OF PARTNERSHIPS.

No. 6130 of 1874.

JUDICAL DEPARTMENT,
BOMBAY CASTLE, 30*th October*, 1874.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—With reference to previous correspondence ending with your letter dated the 30th June last, I am directed to forward, for the information of the Chamber, the accompanying copy of a letter from the Secretary to the Government of India, Home Department, Public, No. 2583, dated the 13th October 1874, on the subject of a compulsory Registration of Partnerships.—I have, &c.,

J. NUGENT,
Acting Under-Secretary to Government.

No. 2583.

HOME DEPARTMENT,
FORT WILLIAM, 13*th October*, 1874.

From A. C. LYALL, Secretary to the Govt. of India, to the SECRETARY to the GOVT. of BOMBAY.

SIR,—I am directed to acknowledge the receipt of your letter No. 4081, dated 17th July, submitting copy of a communication from the Bombay Chamber of Commerce, in which they request a re-consideration of the decision of the Government of India that it is at present undesirable to pass a law making the registration of partnerships compulsory.

2. The practical impediments in the way of giving effect

to the measure, which were pointed out by the Government of India in my letter No. 2962, dated 15th September 1873, were two in number—viz., (1) the interference with trade which would be caused on the one hand by compelling registration of every species of partnership, however transitory and restricted ; and, on the other, the difficulty of distinguishing between partnerships of greater or less extent or duration ; (2) the existence of a vast mass of unregistered interests which the law must either recognize, and thereby render the Register very imperfect if not misleading—or refuse to recognize, to the great hardship of the persons so interested. It was also observed that, looking to the two grounds upon which the Chamber of Commerce specifically based their application the facts described pointed rather to incaution on the part of the creditor than to defects in the existing law.

3. The letter now communicated from the Chamber of Commerce does not remove the objections felt by the Government of India. As regards the first impediment, the Chamber of Commerce now explain that they never contemplated the registration of partnerships for special ventures, but only the registration of "regular standing firms." They do not point out what legal distinction can be taken between partnerships varying only in the extent and duration of their business. But their opinion is understood to be that no difficulty need be apprehended in distinguishing between partnerships, so as to exempt from the operation of the compulsory law of registry trading ventures of the kind illustrated by my former letter.

4. His Excellency the Governor General desires me to reply that the opinion on such a subject of the Chamber of Commerce will always command due consideration; but that, after giving careful attention to the case again presented, he is convinced that such a distinction is not founded on any principle of law, and that an attempt to create it will only lead to embarrassment.

5. Moreover, assuming for the sake of argument that the distinction is practicable, it would then become necessary to consider whether the exemption of partnerships for special ventures from any established system of compulsory registration ought to be made. It might be argued that this is precisely the class of partnerships for which compulsory registration, if useful at all, would act most beneficially. A permanently established firm is before the community, it

announces itself as a trading partnership, its dealings and style of business become known, and it is open to all to make the usual precautionary enquiries alluded to in the 5th paragraph of my preceding letter; but with temporary partnerships, such as those with which the Chamber declare they would not interfere, the case is different. These spring up suddenly; the parties to them are not necessarily even known in business circles; there is no knowledge how long they are meant to last, and yet, for the purposes of the particular transaction or set of transactions for which they are formed, their legal properties and incidents are precisely the same as those of other partnerships. Now, if legislation is to be called in to aid merchants and traders in deciding to whom they will or will not give credit, it seems hardly reasonable to lay this obligation upon permanently established firms and to exempt that class of partnerships regarding which information through the ordinary channels would probably be more difficult to obtain, and therefore compulsory information all the more valuable.

6. If then registration is to be compulsory for any partnerships other than Joint Stock Companies, which stand on a totally distinct legal footing, it must in the opinion of the Government of India be compulsory for all. But this has been before objected to as a serious interference with the ordinary transactions of trade—an objection from which it would seem that the Chamber of Commerce is not prepared to dissent.

7. The second practical impediment relates to unregistered interests, and presents itself everywhere, but with peculiar force in India because of the system of undivided families. It is to be observed, in the first place, that the Chamber of Commerce have not formed an opinion on the question whether or no all members of a family should be registered. They only say that it is not impossible so to register them. It appears, however, to the Government of India that though to do so may not be impossible, it would be attended, first, with the necessity of observing a number of forms that would be found very vexatious, and secondly, with a risk or rather certainty of errors and omissions which would produce much litigation and hardship.

8. If, however, the whole are not registered, the Chamber appear to contemplate a mode of registry by which some person shall be taken as representing and binding the whole

family. But before members of families can be bound by entries in registers not made by themselves, very carefully considered provisions would be required, lest the action of a representative, or of one who claims to be such, should have the effect of depriving of their rights, or of burdening with liabilities, persons who might know nothing about the matter. It is clear that in order to obtain a registration of partnerships the Chamber of Commerce now suggest a substantial modification of the law respecting undivided Hindoo families which they can hardly have contemplated when they made their original proposal. On such an alteration the Government of India is not prepared to embark. It would require to be considered on its own merits and would require careful and extensive enquiry.

9. As regards the mischief arising from defects in the existing law, I am to observe that my letter of the 15th September 1873 dealt with the specific representations of evils needing remedy, upon which the Chamber's letter of the 28th February 1867 was founded. It does not appear that anything has been added, under this head, to what was specified in 1867. The Chamber of Commerce indeed affirm again that neither precaution nor care avails to protect persons from imposition and loss in dealing with native firms. But even if the great practical impediments in the way of compulsory registration could be removed or avoided, the Government of India, before passing a law involving such widespread interests as the measure proposed, would still require more definite information as to the nature of the mischief to be cured, and as to the probable working, from every point of view, and upon commercial interests generally, of the remedy proposed. The Government would need to learn in detail such particulars, as, for instance, what are the frauds in question from which commerce especially suffers, how they are effected, how far they are favoured by the absence of registries, and in what way the establishment of a registry would prevent them. And, with advertence to the precedent which the Chamber draw from the fact that registration of firms is required by the law of some European States, I am to remark, first, that no arguments drawn from European practice would apply to the system of conducting business which is described in the 8th paragraph of the Chamber's letter; and secondly, that the practice in question does not

prevail in England, whose institutions have not been found unfavourable to commercial enterprise and success.

10. His Excellency the Governor General in Council observes that the Government of Bombay, in forwarding the two last letters received from the Chamber of Commerce, have not gone beyond a general opinion that a measure of the character suggested would be advantageous. On the whole, therefore, the Government of India adhere to the reply conveyed by the last paragraph of my letter of 15th September 1873, namely, that they are not prepared to support any system of compulsory registration until the want of it has been shown to be causing mischief to people of ordinary prudence, and until a system shall have been devised which will not embarrass ordinary commercial business, or interfere with ordinary family arrangements.—I have, &c.,

A. C. LYALL,
Secretary to the Govt. of India.

APPENDIX Q.

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OVERLAND MAIL SERVICE.

BOMBAY CHAMBER OF COMMERCE,

BOMBAY, 30*th November*, 1874.

JOHN TILLEY, Esq., Secretary to Her Majesty's Postmaster General, London.

SIR,—I have the honour, by direction of the Committee of the Bombay Chamber of Commerce, to address you on the subject of the detention, at Suez, for six days, of the Peninsular and Oriental Company's contract steamer, the "Ceylon," with the English Mails of the 16th October.

These mails left Brindisi on the 19th, they reached Suez, and were on board the "Ceylon" early in the morning of the 23rd idem, the day on which the steamer was advertised to leave the latter port. But after the mails were on board, and the vessel ready to put to sea, she was detained at Suez for six days, until the arrival of the Peninsular and Oriental Company's s.s. "Surat," which was bringing the Southampton Mails and passengers, and which had broken down off Malta.

While the Surat was passing through the Canal, more delay occurred, and her mails were sent on board the "Ceylon" by means of a tug on Wednesday evening the 28th, before 6 o'clock; but the passengers did not arrive until 5 o'clock A.M. of the 29th, after which the "Ceylon" left Suez for Bombay. The contract stipulates that the vessel shall, immediately after the mails are embarked, put to sea. In this case, the "Ceylon" was delayed 12 hours after the Southampton Mails were on board, until the arrival of the passengers by the "Surat," so that the Company were permitted to subordinate the Eastern Mail Service to the convenience of their passenger traffic.

The Peninsular and Oriental Company apparently consider

that they are not bound to maintain a separate Weekly Mail Service between Brindisi and India, but only between Brindisi and Alexandria, that the distance from Suez to Bombay forms part of the Southampton Service, which is still the main line, and that the Brindisi Service, which, however, is of infinitely greater importance to the public, is subordinate to and dependent upon it. The Committee of the Chamber understand they consider that the agreement exempts the Company from the payment of penalties for detentions of the Brindisi Mails in Egypt until the Southamptom Mails arrive, if the latter are delayed from damage to the vessel or its machinery so that similar detentions to the one now complained of may be calculated upon, when the Southampton steamer happens to break down, and when it does not suit the Company to send on a separate steamer from Suez with the Brindisi passengers only.

The Committee of this Chamber wait with much interest to learn if this interpretation of the terms of the contract is that also entertained by Her Majesty's Postmaster General; and, should it prove to be so, they can only express their regret that an agreement so entirely overlooking the interests of this Empire was ever entered into. Should, however, the Postmaster General consider that the terms of the contract give him the power to enforce the penalties which are said in his Memo. of 1st August 1874, appended to the agreement, to be "made absolute," the Committee of the Chamber trust that he will not fail to do so, as a warning to the Peninsular and Oriental Company, not again to subject the entire Eastern Mail Service with which they are entrusted to the convenience of their other arrangements.—I have, &c.,

J. GORDON, Secretary.
DAVID WATSON, Chairman.

No. 676-Z.

GENERAL POST OFFICE, LONDON, *1st January*, 1875.

To J. GORDON, Esq., Bombay Chamber of Commerce, Bombay.

SIR,—I am directed by the Postmaster General to acknowledge the receipt of your letter of the 30th November last, in which, by desire of the Bombay Chamber of Com-

merce, you call attention to the detention at Suez for a week of the London Mails for India of the 16th October forwarded by the contract packet from Brindisi to Alexandria.

Previous to the receipt of your letter, the Postmaster General had been in communication with the Directors of the Peninsular and Oriental Steam Navigation Company on this subject, for, although by the terms of their contract, they are not required to send on the Brindisi portion of the mails without waiting for the packet from Southampton, in the event of the latter failing to arrive at Suez in due course, his Lordship entertained full reliance upon the readiness of the Company to promote the efficiency of the Mail Service, and to obviate to the utmost of their power the inconvenience and loss which must be occasioned by any delay of the most important part of the correspondence.

The object, therefore, of addressing the Company was to come to such an arrangement as would prevent a delay of the Brindisi portion of the mails in future cases like that which occurred in October last by the breakdown of the Southampton steamer.

Much to the regret of the Postmaster General he has failed to obtain any satisfactory assurances from the Company in this respect.

His Lordship directs me to transmit to you, for the information of the Bombay Chamber of Commerce, a copy of the correspondence which has taken place on this subject between this Department and the Peninsular and Oriental Company, in which it will be seen that due weight was given to protests made by the Chambers of Commerce, and the Indian public generally, against the serious delay to which the mails were subjected on the occasion referred to.—I am, &c.,

JOHN TILLEY.

GENERAL POST OFFICE, *2nd November*, 1874.

A. M. BETHUNE, Esq., Peninsular and Oriental Steam Navigation Company.

SIR,—It appears by a telegram from Suez that the mail packets "Ceylon" and "Surat" which, in the ordinary course, should have left Suez for Bombay and China, respectively, on Friday the 23rd ultimo, were not despatched until Thursday last the 29th ultimo, six days after time.

This late departure was occasioned by the accident which the

"Surat" met with after leaving Gibraltar, and, as regards the China Mails, the delay appears to have been unavoidable, as the "Surat" was the vessel appointed to convey them to their destination. But, as another vessel was ready at Suez at the appointed time to take forward the mails for India, it was possible to have prevented the delay which the Brindisi portion of those mails suffered by waiting for the arrival of the "Surat."

In the absence of any regulation on the subject, no blame is attributable to any one on this occasion, but it seems necessary to lay down some rule to meet a similar case hereafter, and I shall be glad if the Directors of the Peninsular and Oriental Steam Navigation Company will state, for the consideration of the Postmaster General, what course they have to propose.—I am, &c.,

W. J. PAGE.

No. 594-Z.

GENERAL POST OFFICE, *9th November*, 1874.

A. M. BETHUNE, Esq., Peninsular and Oriental Steam Navigation Company.

SIR,—With reference to my letter of the 2nd instant, I am directed by the Postmaster General to transmit to you, to be laid before the Directors of the Peninsular and Oriental Steam Navigation Company, the enclosed copy of a telegram, which his Lordship has received from the Director General of the Post Office of India, in which it is stated that strong complaint is made by the public of India of the course taken in detaining the Brindisi portion of the mails at Suez last month to await the arrival of the "Surat," which had broken down on the voyage between Gibraltar and Malta.—I am, &c.,

W. J. PAGE.

Copy of a Telegram from the Director General of the Post Office of India to the Postmaster General, dated 6th November, 1874.

Indian public indignant at detention till 29th of steamer timed to leave Suez for Bombay on 23rd October. Important Brindisi mail kept waiting for comparatively unimportant Southampton mail. Pray investigate.

GENERAL POST OFFICE, LONDON, *9th November* 1874.

A. M. BETHUNE, Esq., Peninsular and Oriental Steam Navigation Company.

SIR,—With further reference to my letter of the 2nd instant, I am directed by the Postmaster General to transmit to you, to be laid before the Directors of the Peninsular and Oriental Steam Navigation Company, the enclosed copy of a report, which has been received from the Agent of this Department at Suez, in which,

with respect to the accident to the packet "Surat" and the consequent late arrival of her mails at Suez, he expresses an opinion that the "Surat" should have landed the mails for India at Alexandria on that occasion: as if this had been done, the "Ceylon" might have started from Suez for Bombay three days earlier than she actually sailed.—I am, &c.,

W. J. PAGE.

PACKET AGENCY, SUEZ, *29th October*, 1874.

The SECRETARY, GENERAL POST OFFICE, London.

SIR,—From the circumstance of the great delay that has taken place in the departure of the "Ceylon" for Bombay, and the "Surat" for Calcutta, to-day (the 29th), instead of on the 23rd instant, it would appear that, if the "Surat," before proceeding to Port Said, had landed the mails and passengers at Alexandria, the "Ceylon" for Bombay might have left this last Monday the 26th instant; the passage of the Canal in winter is uncertain, with regard to the time occupied, owing to the large number of vessels availing of it, and the season also is not so favourable, being more windy and foggy with shorter days, so that in the event of their being an available steamer at Suez (which there should be), it may probably be found advantageous when the Southampton steamer does not leave Malta before midnight of Sunday that she should come on to Alexandria before proceeding on to Port Said.—I have, &c.,

HENRY LEVICK.

PENINSULAR & ORIENTAL STEAM NAVIGATION COMPANY.

OFFICES, 122, LEADENHALL STREET,

LONDON, E.C., *12th November*, 1874.

The SECRETARY of the GENERAL POST OFFICE.

SIR,—I have the honour to acknowledge the receipt of your letter of 2nd instant (No. 146214), calling attention to the delay which the Brindisi Mails for India suffered through the detention of the "Ceylon" at Suez until the arrival of the heavy mails on board the "Surat," which had broken down in the Mediterranean, and requesting the Directors to suggest some rule for adoption in any similar case hereafter to prevent the delay complained of.

I have also to acknowledge the receipt of your letter of 9th instant (594 Z), enclosing a telegram from the Director General of the Indian Post Office on the same subject.

In reply, I am instructed, in the first place, to express the extreme regret of the Directors at the delay which has arisen in this instance, owing to the accident to the screw of the "Surat," and to

assure you that they have given their best attention to the subject, with the view of laying down some rule to be followed in similar cases. They have, however, come to the conclusion that, in a service so complicated as that carried on by this Company, it would be impossible to make any regulation which would always operate to the advantage of the Mail Service, and they are strengthened in this view by their experience of the working of the arrangement for the despatch of the homeward mail steamers from Alexandria after a certain interval with one mail only when the other is late, which in a recent case resulted in the loss of the opportunity for reply to the important Australian and China Mails.

I am desired, therefore, respectfully to suggest that each case should be left to be dealt with here when it arises, as, with the telegraph available, no delay need be caused by the adoption of this course; and I am to assure you that the first object the Directors have in view is the punctual and efficient performance of the important Mail Services entrusted to the Company, as evidence of which they might refer to previous instances of mishaps, when, to prevent inconvenience to the Mail Service, they have incurred expense and risk far beyond what they were bound to do under the provisions of the contract.—I have, &c.,

A. M. BETHUNE, Secretary.

PENINSULAR AND ORIENTAL STEAM NAVIGATION COMPANY,

OFFICES, 122 LEADENHALL STREET,

LONDON, E.C. 12*th November*, 1874.

The SECRETARY of the GENERAL POST OFFICE.

SIR,—I have the honour to acknowledge the receipt of your letter of 9th instant (No. 146214), transmitting copy of a report received from Mr. Levick, Her Britanic Majesty's Packet Agent at Suez, expressing an opinion with reference to the recent accident to the "Surat" that the vessel should have called at Alexandria for the purpose of landing the Indian Mails before proceeding to Port Said. In reply, I am instructed to state that, inasmuch as one of the conditions of the recent arrangement for the adoption of the Suez Canal as the mail route was, that the *whole* of the heavy should be forwarded by that route, the Directors cannot consider that the commander of the "Surat" would have been justified in proceeding to Alexandria to land the mails in order that they might be forwarded by rail, and I am further to point out that the calling at Alexandria, the vessel being bound direct from Malta to Port Said, would have been a deviation from the prescribed course of the voyage which, if attended or followed by any accident to the ship, might have involved serious questions as to the liability for the loss arising from such accident.—I have, &c.,

A. M. BETHUNE, Secretary.

GENERAL POST OFFICE, *17th November*, 1874.

A. M. BETHUNE, Esq., Peninsular and Oriental Steam Navigation Company.

SIR,—I have laid before the Postmaster General your letter of the 12th instant, on the subject of the detention at Suez of the mails for India (Brindisi portion) in consequence of the accident which happened to the mail packet "Surat" before reaching Malta, and his Lordship has desired me to state, in reference to that communication, that he is surprised and disappointed to find that the Directors of the Peninsular and Oriental Steam Navigation Company offer no excuse for not having despatched those mails, without waiting for the "Surat," when it became evident that that vessel could not arrive at Suez until so long after the time at which she was due.

It appears to the Postmaster General that the fact that such a case was not provided for in the contract made it the more necessary that the Company should exercise a wise discretion in obviating, so far as lay in their power, the serious injury which a detention for six days of the only important part of the mail must occasion to the people of India. His Lordship must, therefore, ask the Directors to furnish him with their observations on this point.

With regard to the steps to be taken with a view of preventing a similar delay hereafter, the Postmaster General is of opinion that it would be better to lay down some general rule to be followed in such cases, and he must ask the Directors to be good enough to re-consider this point.

The establishment of such a rule need not prevent the Directors from addressing this office and suggesting a deviation from it whenever circumstances may arise, rendering a special consideration of the course to be adopted necessary.—I am, &c.,

JOHN TILLEY.

GENERAL POST OFFICE, *2nd December*, 1874.

A. M. BETHUNE, Esq., Peninsular and Oriental Steam Navigation Company.

SIR,—With reference to my letter of the 9th ultimo, transmitting copy of a telegram from the Officiating Director General of the Post Office of India, relative to the recent delay to the mails for India owing to the breakdown of the "Surat," I am directed by the Postmaster General to transmit to you, to be laid before the Directors of the Peninsular and Oriental Steam Navigation Company, copy of a letter from the Indian Post Office on the same subject.

I am to request that the Directors will be good enough to furnish Lord John Manners with their observations on Mr. Hogg's letter.

I have at the same time to refer to my letter of the 17th ultimo, to which I have not yet been favoured with a reply.—I am, &c.,

W. J. PAGE.

No. 4740.

CALCUTTA, *6th November*, 1874.

From F. R. HOGG, Esq., Offg. Director General of the Post Office of India, to the SECRETARY, GENERAL POST OFFICE, London.

SIR,—I have this day addressed you a telegram in the following terms :—

"Indian public indignant at detention till 29th of steamer timed to leave Suez for Bombay on 23rd October. Important Brindisi Mail kept waiting for comparatively unimportant Southampton Mail. Pray investigate."

2. No advice as to the cause of this delay has been communicated, either to me or to the local authorities of the P. and O. Company ; but, if the public telegrams are to be relied on, it would seem as if the detention of the Brindisi Mail in Egypt for nearly six days were due to the breakdown in the Mediterranean of the contract packet the "Surat" with the mails from Southampton on board.

3. In a service like that of the P. and O. Company organized by the Post Office Department, and subsidised primarily for the conveyance of correspondence, the subordination of other considerations to those of postal interests may fairly be expected. In the present instance the convenience of the Post Office Department would obviously have been better served by the despatch from Suez of the Bombay steamer on the day she was timed to start (viz., 23rd October), leaving the mails from Southampton, which apparently were about six days late, to be forwarded by the steamer of the ensuing week.

4. There is thus reason to apprehend that in the present case the interests of the Mail Service have been sacrificed to the comfort of the passengers concerned.

5. I trust that you will be good enough to intimate to me the result of your enquiries in this matter for communication to the public in this country.—I have, &c.,

S. F. R. HOGG,
Offg. Director General of the Post Office of India.

GENERAL POST OFFICE, *8th December*, 1874.

A. M. BETHUNE, Esq., P. & O. Company.

SIR,—Adverting to my letters of the 9th ultimo and 2nd instant, respecting the delay of the mails for India consequent on the breakdown of the contract packet "Surat," on her voyage between Southampton and Alexandria in October last. I am directed by the Postmaster General to transmit to you, to be laid before the Directors of the Peninsular and Oriental Steam Navigation Company, copy of a letter from the Bengal Chamber of Commerce, protesting against the course adopted on this occasion of delaying

the Brindisi portion of the mails for the arrival of the overdue steamer with the heavy portion of the mails, and I am to request that you will furnish me with the observations of the Directors on the statements contained in this letter.—I am, &c.,

W. J. PAGE.

BENGAL CHAMBER OF COMMERCE, CALCUTTA, 10*th Nov.*, 1874.

JOHN TILLEY, Esq., Secretary to the Majesty's Postmaster General, London.

SIR,—The Committee of the Bengal Chamber of Commerce desire me to express their thanks to Her Majesty's Postmaster General for the reply to their representation regarding the revised contract with the Peninsular and Oriental Steam Navigation Company which you have been good enough to communicate in your letter No. 468-Z of the 8th September.

The Committee's object in addressing you on this occasion has reference to the detention at Suez for a week of the London Mails of 16th ultimo, forwarded per contract packet from Brindisi to Alexandria.

The reason assigned for this most unusual detention of the express mails is that the "Surat," with despatches and passengers via Southampton, had broken down on her voyage, and that it was therefore expedient to forward them, without further delay, by the first opportunity on her arrival at Alexandria, or Suez via the Canal.

That opportunity was apparently presented by the "Ceylon," which was waiting at Suez to convey the Brindisi Mail to Bombay, but the Committee submit that this was a proceeding on the part of the Peninsular and Oriental Steam Navigation Company not justified by the terms or spirit of their contract, and that the detention of the Brindisi Mail on such grounds is indefensible.

The Company are bound by their contract to convey and deliver the mails *with all despatch*, but in this instance they would appear by an arbitrary exercise of authority to have ignored its provisions, and by a greater regard for their own arrangements than for the requirements of a special contract service exposed the public of India to inconvenience which has resulted by their departure from the strict performance of contract obligations.

On the lesser ground also of the personal disadvantages to passengers by the detained steamer, the Committee would invite the earnest attention of Her Majesty's Postmaster General to the circumstances under which they have been subjected to a vexatious delay in Egypt, and they desire to submit their emphatic protest against the action of the Peninsular and Oriental Steam Navigation Company in respect of disregard of both public and private interests.—I have, &c.,

H. W. J. WOOD, Secretary.

PENINSULAR AND ORIENTAL STEAM NAVIGATION COMPANY.

OFFICES, 122, LEADENHALL STREET,

LONDON, E.C., 11*th December*, 1874.

The SECRETARY of the GENERAL POST OFFICE.

SIR,—I have the honour, by order of the Directors, to acknowledge receipt of your letter, of the 17th November, stating that the Postmaster General had expressed surprise and disappointment that the Directors of this Company had offered no excuse for not having despatched the Brindisi Mails for India from Suez without waiting for the "Surat," when it became evident that that vessel could not arrive at Suez until so long after the time at which she was due; that it appeared to the Postmaster General that the fact that such a case was not provided for in the contract made it more necessary that the Company should exercise a wise discretion in obviating, as far as lay in their power, the serious injury which a detention of six days of the only important part of the mails must occasion the people of India; also, with regard to the steps to be taken with the view of preventing a similar delay hereafter, the Postmaster General is of opinion that it would be better to lay down some general rule to be followed in such cases, but that the establishment of such a rule need not prevent the Directors from addressing your office and suggesting a deviation from it whenever circumstances may arise, rendering a special consideration of the course to be adopted necessary.

I am further instructed to acknowledge the receipt of your letters of the 2nd and 8th instant, the former enclosing a letter from the Postmaster General of Bombay, and the latter a communication from the Bengal Chamber of Commerce on the same subject.

It appears to the Directors that very considerable misapprehension exists regarding the facts connected with the "Surat's" accident and the attendant circumstances which caused the detention of the Brindisi Mails at Suez.

The Directors would, therefore, respectfully refer to the following extract from a communication which they addressed to *The Times* upon this point:—

> "The intelligence which the Directors had received regarding the movements of the "Surat" left them in no doubt that she would be repaired so as to start from Malta on the 21st October, and that the "Ceylon," which was to convey her mails and passengers from Suez to Bombay, would be enabled to leave Suez on the 26th (which would have been only three days behind time), while the latter steamer, by an extra consumption of fuel, might have been able to make up half this time, thus reducing the delay en route to a very small point, notwithstanding the accident referred to."

When an accident such as this occurs to a mail steamer, it is undoubtedly the business of the Directors not only to consider that particular steamer, but all the other services which may be depend-

ing upon her, and to do the best in their power under all the circumstances.

If, therefore, the "Surat" had broken down fatally the Directors would at once have despatched the "Ceylon" to Bombay, and would have made arrangements, as soon as possible, to place another steamer instead of the "Surat" at Calcutta.

Or, if the Directors could have foreseen the subsequent delay which occurred to the "Surat," they would have requested the Postmaster General's permission to despatch the "Ceylon" at once. But, as the case stood, it appeared to the Directors that if they despatched the "Ceylon" without waiting for the "Surat," they would then have to despatch another steamer to Bombay in about three days after the "Ceylon" with the Southampton Mails and passengers, and this arrangement, however desirable in some respects, would have had the effect of causing considerable disturbance in the Company's general programme, such as the actual position of the "Surat" and the terms of the contract did not seem to warrant.

This explanation, the Directors trust, will absolve them from the imputation, conveyed by your letter of 17th November, of not having exercised due discretion in this case, more particularly as that remark is certainly at variance with the judgment given upon the same point in your letter of the 2nd ultimo, wherein it is stated that, "in the absence of any regulation on the subject, no blame is attributable to any one on that occasion."

As regards establishing some absolute rule to render the despatch of the Brindisi Mails from Suez independent of the outward Southampton steamers, in case of accident or delay, the Directors are most anxious to meet the views of the Postmaster General to any practicable extent, but they see some difficulty, as the Southampton steamers are those which go to India, and not the steamers from Brindisi.

The Directors will, therefore, be glad if the Postmaster General will take into consideration the general scheme of the Company's work under the Schedules provided by the Contract, and inform the Directors what steps he would consider practicable and satisfactory to provide against accident or delay to the outward Southampton steamers this side of the Isthmus of Suez.—I have, &c.,

A. M. BETHUNE, Secretary.

No. 655-Z

GENERAL POST OFFICE, 16*th December*, 1874.

A. M. BETHUNE, Esq., Peninsular and Oriental Steam Navigation Company.

SIR,—I have laid before the Postmaster General your letter of the 11th instant, in which you state that the Directors of the Peninsular and Oriental Steam Navigation Company see difficulty in establishing an absolute rule to render the despatch from Suez of the Brindisi portion of the Eastern Mails independent of the steamer from Southampton in the case of the non-arrival of that steamer in due course through some accident, and that they will

be glad if the Postmaster General will inform them what steps he would consider practicable and satisfactory to guard against delay.

In reply, I am directed to request that you will state to the Directors that the Postmaster General must decline to recommend any particular course for adoption, as he considers that the obligation rests with the Company to provide a remedy in such cases.

I am at the same time to observe that the Postmaster General notices with regret the slight importance the Directors appear to attach to the long delay which occurred through the breakdown of the packet "Surat," and their apparent disinclination to guard effectually against its recurrence.

His Lordship cannot but apprehend that, unless the Directors give some more satisfactory assurance for the future prompt transmission of the mails, public opinion will not be with them when any question connected with their contract may next be discussed. —I am, &c.,

JOHN TILLEY.

No. 176221.

GENERAL POST OFFICE, LONDON, *22nd December*, 1874.

A. M. BETHUNE, Esq., Peninsular and Oriental Steam Navigation Company.

SIR,—Referring to my letter of the 16th inst. and previous correspondence respecting the delay which occurred in despatching the contract packet "Ceylon" from Suez, with the mails for Bombay, in October last, I am directed by the Postmaster General to transmit to you, to be laid before the Directors of the Peninsular and Oriental Steam Navigation Company, the enclosed copy of a letter* on the same subject, which has been received by this Department from the Bombay Chamber of Commerce; and I am to request that you will be good enough to furnish his Lordship with their observations thereon.—I am, &c.,

* Vide supra page 496.

W. J. PAGE.

PENINSULAR AND ORIENTAL STEAM NAVIGATION COMPANY.

OFFICES, 122, LEADENHALL STREET,

LONDON, E.C., *23rd December*, 1874.

The SECRETARY of the GENERAL POST OFFICE.

SIR,—I have the honour to acknowledge receipt of your letter of the 16th instant (No. 655-Z), in which the Postmaster General declines to recommend any particular course to guard against delay of the Brindisi Mails, in the case of accident to the Southampton steamer, as he considers that the obligation rests with the Company to provide a remedy in such cases.

You further observe that the Postmaster General notices with regret the slight importance the Directors seem to attach to the

long delay which occurred through the breakdown of the packet "Surat," and their apparent disinclination to guard effectually against its recurrence, and that his Lordship cannot but apprehend that unless the Directors give some more satisfactory assurance for the future prompt transmission of the mails, public opinion will not be with them when any question connected with the contract may next be discussed.

In reply, I am desired by the Directors to express their extreme regret that in a matter of such importance to the public, as well as to this Company, the Postmaster General should attribute to them any indifference, and they beg respectfully to disavow any feeling of this kind, being assured that neither the present correspondence nor the general conduct of the Mail Service will support such a construction.

As the Directors understand the case, the Postmaster General expects that an absolute rule should be established for the despatch of the Brindisi Mails from Suez, independent of the arrival of the Southampton steamer, in case of accident to the latter an arrangement not included in the working of the contract.

The Directors have stated and reiterated their willingness to act to the best of their power and judgment in the event of such accident occurring, and they have already given earnest of their zeal in this respect by despatching the "Sumatra" to carry on from Suez, without the slightest delay, the Brindisi Mails which should have been conveyed by the "Lombardy," that steamer, as you are aware, having had her decks swept in a gale at the entrance of the Bay of Biscay, and having been compelled to return to Southampton for repairs.

But the Postmaster General still desires some absolute rule to be fixed in such cases, and the Directors perceiving some difficulty in rendering such a rule consistent at all times and in all cases with the general working of the service, have, with the view of complying with the Postmaster General's wishes, as far as possible, naturally requested to be informed what his Lordship would consider a practical and satisfactory rule in this respect.

In placing the matter in this light, the Directors do not entertain a narrow or literal view of their obligations in connection with the Mail Service, but, in arranging such points, the Directors have also great commercial interests to consider, which, though not embodied in the contract, certainly form the basis upon which it rests.

While, therefore, the Directors are quite prepared to make such arrangements for the advantage of the public service, as may be practicable, and desire most anxiously to meet the views of the Postmaster General, they must venture to express a hope that if the Company is called upon to perform additional services, in order to meet these requirements they may look for some reciprocal consideration from the Postmaster General.—I have, &c.,

A. M. BETHUNE, Secretary.

PENINSULAR AND ORIENTAL STEAM NAVIGATION COMPANY.

OFFICES, 122, LEADENHALL STREET,

28th December, 1874.

The SECRETARY of the GENERAL POST OFFICE.

SIR,—I have the honour to acknowledge the receipt of your letter of the 22nd instant (No. 176221), enclosing copy of a letter, on the subject of the delay in despatching the contract packet "Ceylon" from Suez with the mails for Bombay in October last, which has been received by your Department from the Bombay Chamber of Commerce, and requesting that the Directors will furnish the Postmaster General with their observation thereon.

In reply, I am desired by the Directors respectfully to refer to their letter of the 23rd instant, on this subject, which renders any further observations from them at present unnecessary.—I am, &c.,

A. M. BETHUNE Secretary.

No. 672-Z.

GENERAL POST OFFICE, *28th December*, 1874.

A. M. BETHUNE, Esq., P. & O. S. N. Company.

SIR,—The Postmaster General has directed me to acknowledge the receipt of your letter of the 23rd instant, and to inform you that, regarding it as the final answer of the Directors of the Peninsular and Oriental Steam Navigation Company, to his reiterated request that they would take steps for preventing hereafter any delay of the mails for India, such as occurred in October last, owing to the accident which happened to the "Surat" on her voyage from Southampton to Port Said.

His Lordship proposes to send to the Director General of the Post Office of India, and to the Bengal and Bombay Chambers of Commerce, copies of the correspondence which has taken place on this subject between this Department and the Company.—I am, &c.,

JOHN TILLEY.

APPENDIX R.

———:o:———

DEPARTMENTAL ENQUIRIES INSTITUTED BY THE PORT TRUSTEES INTO THE CONDUCT OF PILOTS IN CASES OF COLLISION.

No. 119 of 1875.

BOMBAY, *22nd June*, 1875.

The SECRETARY to GOVERNMENT, Marine Department.

SIR,—I have the honour, by direction of the Committee of the Chamber of Commerce, to communicate to you, for the information of His Excellency the Governor in Council, the following circumstances in regard to the enquiry instituted by the Port Trustees into the collision between the steamer "Navarino" and the ship "Pearl of India,"—with the respectful request of the Committee that the evidence elicited at such Courts of Enquiry may be made available to the parties entrusted without delay, that means may be devised which will accelerate the giving of decisions in similar cases, and that the proceedings may be made public.

The "Pearl of India," while lying at anchor in the harbour, was, on the 14th April last, run into by the s.s. "Navarino," then coming up the harbour in charge of a pilot, and considerable damage was done to the sailing ship.

On the 20th April last, the Agents of the "Pearl of India" wrote to the Secretary of the Port Trust, informing him that the captain of the s.s. "Navarino" had repudiated liability on the ground that his steamer was in the charge of a pilot, in compulsory pilotage waters, and that they were anxious to have the Report of the Committee of Enquiry, that they

might know whether any blame attached to the officers or crew of the steamer or to any defect in her equipments, or whether the pilot was alone in fault. They wrote again on the 30th idem, requesting an answer to their letter of the 20th, and again on the 3rd May, adding, on this occasion, that it was of very great importance to the ship "Pearl of India" that the result of the enquiry should be known, as the steamer "Navarino" was advertised to sail on the 7th instant; and they were then informed that no decision on the matter would be passed by the Trustees until the end of the then current month. On the 4th June, the Agents of the "Pearl of India" were informed that a copy of the evidence elicited at the Court of Enquiry could be furnished to them, if they required the same, but that the Trustees had decided that the result of the Court of Enquiry was not to be communicated.

In accordance with the Shipping Act, the Committee understand that, in cases of collision caused by one vessel, while in charge of a pilot, to another, in compulsory pilotage waters, the vessel causing damage is freed from liability unless the offending vessel was in any way in fault through the action of the master or crew or deficiency of equipment. It is, therefore, of the greatest importance to the injured vessel that the facts elicited at a Court of Enquiry should be available without delay. In this case, more than six weeks elapsed between the date of the first request of the Agents of the "Pearl of India," and the placing at their disposal the evidence given at the Court of Enquiry, which, the Committee understand, was held about the 16th April.

The Committee, therefore, desire me respectfully to submit that the evidence elicited at Courts of Enquiry similar to the one above referred to, and the results of such enquiries, should be made available without delay to the parties concerned, and they trust that H. E. in Council will be pleased to order this to be done in future. The Committee further desire me to ask if any, and what, objections exist, to the proceedings before such Courts of Enquiry being made public.—I have, &c.,

J. GORDON, Secretary.

No. 826 OF 1875.

MARINE DEPARTMENT,
BOMBAY CASTLE, *15th July*, 1875.

From the SECRETARY to GOVERNMENT to the SECRETARY BOMBAY CHAMBER of COMMERCE.

SIR,—I have the honour to acknowledge the receipt of your letter, dated 22nd June 1875, bringing to notice the circumstances connected with an enquiry instituted by the Port Trustees into the collision between the steamer "Navarino" and the ship "Pearl of India," and requesting that the evidence elicited at such Courts may be made available to the parties interested without delay, that means may be devised which will accelerate the giving of decisions in similar cases, and that the proceedings may be made public.

2. In reply, I am directed to observe that the enquiry referred to was not a Court of Enquiry, but a departmental enquiry instituted by the Trustees into the conduct of the pilot, and that the question as to how far the proceedings at enquiries of this nature should be made public must be left to the Trustees to decide.

3. By a Resolution No. 84, dated 3rd June last, the Trustees have decided that the evidence elicited at such enquiries may be given to the parties interested. The parties will thus in all cases have all the facts elicited before them, and it is not clear what more they can need, or of what avail to them the decision of the Port Trustees would be. That decision does not settle the civil question, nor does it affect the Court of Admiralty. If the pilot is adjudged to be culpable, the aggressive vessel is not thereby exempted from liability to damages; the masters or owners are still liable to be sued, and, if sued, must prove to the Admiralty Court, not only that the pilot was so culpable, but also that the damage was occasioned *solely* by his fault or neglect. If the pilot is absolved from blame by the Trustees, the aggressive vessel may still possibly prove to the satisfaction of the Court of Admiralty that he was solely culpable. In neither case would the Court of Admiralty be guided by the decision of the Port Trustees. Thus the Trustees' decision is not necessary to the parties interested, nor of any

value to them whatever, unless they agree to be bound by it, a practice which it is desirable to discourage.

4. His Excellency the Governor in Council concurs with the Committee of the Chamber of Commerce that the evidence elicited at the enquiries referred to should be furnished to the parties interested with as little delay as possible, and the Trustees of the Port will be informed accordingly.—I have, &c.,

JOHN MACDONALD, Colonel,
Secretary to Government.

APPENDIX S.

———:o:———

NEW FEES LEVIED BY THE PORT TRUSTEES ON BOATS TAKING SHELTER IN THEIR BASINS.

BOMBAY, 1*st October*, 1874.

To the TRUSTEES of the BOMBAY PORT TRUST.

The Humble Petition of the undersigned Merchants and Boat-owners of the City and Presidency of Bombay

SHEWETH,—That it appears from a notice just issued by your authority, under the hand of Mr. Ryan, Traffic Manager of the Port Trust Bunbers, that under and by virtue of the provisions of Sec. 57 of the Port Trust Act, certain fees, more particularly specified in the said notice, will be charged from the Seventh day of October, instant, on all boats, whether loaded or empty, that come from Basins or Bunders other than the Port Trust Basins or Bunders. A copy of the said notice is hereunto annexed and marked A.

2. Now your Petitioners humbly submit that if the proposed new tariff be enforced, not only will your Petitioners' individual interests be seriously injured thereby, but trade in general must suffer. Being convinced of the truth of this, they beg to suggest, for the re-consideration of the Trustees (amongst many other reasons), against enforcing the proposed new scheme the following, viz.:—

3. Because boats employed in carrying cargoes from Bunders other than the Port Trust Bunders to vessels or steam-ships lying off, do, as a general rule, take some days to discharge their cargoes. And, inasmuch as during the monsoon, the captains of such vessels or steam-ships will never allow the boats to lie alongside after sunset. Every boat must at sunset return and take shelter for the night, and each and every night until they have discharged their cargoes in some Bunder or other. And they have hitherto invariably returned and taken shelter in the Port Trust Bunders. They have always done this, because they are the nearest and the safest. This, be pleased to observe, has been their practice from time out of mind. It is a practice so well known—a practice at once so uniform and so ancient—as to amount almost to a prescriptive right. These basins have always been regarded in this respect as harbours or places of refuge during the raging storms of the monsoon months, and your Petitioners, as well as the whole trading commu-

nity of Bombay, regard them so still. Now, the fees specified in the proposed new tariff, if levied, must necessarily have the effect of putting the owners of the cargo, as well as the owners of the boats, to such an increased expense as to render a trade, now even barely remunerative, to be wholly unprofitable.

4. Because such boats, in order to avoid the payment of the proposed fees, which they will and must do (so oppressive will the fees be that the trade cannot stand up against them), will inevitably be driven to run for shelter into Bunders other than the Port Trust Bunders, where the sea, in general, is exceedingly rough and dangerous during the monsoon. Thus the Port Trust gain no additional income by new tariff. The Insurance Offices will lose lucrative branch of business from the increased risks arising from running into other Bunders, and render an insurance next to impossible, and sea risks, not to speak of the increased risk of human life on board these boats, will be fearfully increased in consequence.

5. Because these boats, under the law now in force, have to pay rupees six a year for seafaring, and rupees two per year for custom register, and it is unreasonable to expect that, under existing circumstances, this particular branch of trade can stand any further imposition.

6 Because the levying of the proposed fees will compel boat-owners to take out every day from the office of the Port Trust Bunders receipts for payment of those fees. This of itself, like all other matters of circumlocution contrivances, will necessarily put men, whose times is valuable, to harassing, vexatious, and needless inconvenience and delay, without any benefit resulting to any one, as far as your Petitioners can see. This is not all, for if it be, as is very often the case, that the shippers have purchased the cargo, in part or in whole, and are obliged to raise money on the shipment, when that is so, they will be unable, fettered as they will be about these receipts to ship the cargo, and to raise money thereon. This in effect will be not only to delay the departure of the vessel, but will seriously affect the credits of the shipper in the eyes of those merchants with whom he deals.

7. Because the levying of the fees contained in the new tariff will be a great hinderance, amounting in some cases to a positive prohibition to merchants carrying out their contracts for the delivery of goods on board by a stipulated or fixed time inasmuch as the inconvenience and delay the necessity to get the daily receipts abovementioned and the like, must, more or less, prevent, or at least greatly impede, merchants from shipping their goods in due time, and thus throw considerable obstructions in the way of performing their contracts, and when a breach of contract takes place, as often will almost inevitably be the case, they will be subjected to heavy damages, and that too without any real fault on their parts.

Lastly, your Petitioners beg humbly to submit that they entered into their respective business, and invested their capital upon the faith that Government would never allow the Bunder Fees on the Elphinstone Estate to be increased. On the contrary, that

the Government would take every opportunity in their power for the sake of commerce to reduce them. Your Petitioners, therefore for the above reasons (among others), pray—

That you will be pleased to take the subject matter of the above notice into your re-consideration, and, in the exercise of your better discretion, order the said Resolution and Notice to be cancelled.

JEWRAJ BALLOO.
GIRJASHANKAR VIJESHANKAR.
NURSEY KESHOWJEE & Co.
DEWA GUNGADHUR
LUKHMIDAS KHIMJEE.
NANJI MOORARJI.
MUTHOORADAS LOWJEE.
JAIRAZBHOY PEERBHOY.
BHICOO SAZBA & Co.
VURDHMAN POONSEY & Co.
BURRY BHANJI.
And 407 others.

(True Copy.)

No. 254 of 1874.

Bombay Chamber of Commerce, *13th October*, 1874.

To the Chief Secretary to Government, Bombay.

Sir,—I am directed by the Committee of the Chamber of Commerce to forward, for the consideration of His Excellency the Governor in Council, copy of a Petition addressed by Native Merchants, Muccadums, and others, to the Port Trustees, and sent to the Chamber for its information, showing the injury that will be done not only to their individual interests, but to the trade of the Port generally, by the levying by the Trustees of certain fees, from the 7th October, instant, on all boats entering their bunders, whether loaded or empty, that come from basins or bunders other than the Port Trust basins or bunders.

The Committee desire respectfully to bring to the notice of His Excellency in Council that the levying of the proposed fees on boats merely resorting to the basins and bunders of the Trust as places of shelter for the night, and which they have hitherto been accustomed to do, without charge, will result in serious inconvenience to the trade of the Port. Its tendency with be to destroy full and fair competition,

during the S. W. Monsoon months, among the owners of private wharves, and among landing and shipping agents, whose capital in their undertakings was invested on the faith of rights which immemorial usage has conferred. The bulk of the cotton exported from Bombay is, as His Excellency is doubtless aware, shipped in boats chiefly from private wharves at Colaba, where the sea during the prevalence of the S. W. Monsoon is rough and dangerous; and the boats lying alongside a vessel, not ready to receive cargo, have always found shelter for the night in the nearest and safest basins, which are now vested in the Port Trust. To force these boats back, for the night, to the bunders at Colaba, which the proposed measure of the Trustees contemplates, will increase the risk of cotton being lost. The Committee, I am desired to say, consider that the risks in running into these bunders will be so great as to render insurance a matter of difficulty, for, without the extra dangers now sought to be imposed, first-class Insurance Offices have nearly, if not in all cases, refused the risks of boats lying alongside a vessel between sunset and sunrise during the S. W. Monsoon months. The prohibition will, moreover, delay the shipment of cargo, and the payment of advances which are obtainable only after Bills of Lading are signed, and it will also delay the departure of the vessel.

The Committee beg, therefore, respectfully to urge upon His Excellency in Council the advisability of refusing sanction to the levying of the proposed fees, or of withdrawing the sanction of Government if it has already been accorded, inasmuch as it will cause great inconvenience and risk to the trade, and benefit very slightly, if at all, the revenues of the Trust.—I have, &c.,

J. GORDON, Secretary.

No. 1414 of 1874.

MARINE DEPARTMENT,

BOMBAY CASTLE, 21*st Nov.*, 1874.

From the SECRETARY to GOVERNMENT to the SECRETARY BOMBAY CHAMBER of COMMERCE.

SIR,—I have the honour to acknowledge the receipt of your letter, dated 13th October 1874, regarding the fees

levied by the Trustees of the Port on boats taking shelter in their basins.

2. In reply, I am directed to state that Government see no reason why the Trustees should be debarred from receiving rent for the use of their basins. Any private Company would do the same, and the mere fact that Government omitted to charge any rent before the Port Trust was created is no reason for the Trust omitting to obtain revenue which the Government for want of proper organization did not collect.—I have, &c.,

JOHN MACDONALD, Colonel,
Secretary to Government.

No. 316 OF 1874.

11th December, 1874.

The SECRETARY to GOVERNMENT, Marine Department, Bombay.

SIR,—I am directed by the Committee of the Chamber of Commerce to acknowledge the receipt of your letter No. 1414, dated 21st ultimo, and to express their regret at the decision of Government, which, contrary to all its previous policy, now upholds the pinciple that a department, in which the foreshore property of this port is vested, should be permitted to deal with that property as a private owner might do, and in disregard of the rights which immemorial usage had conferred.—I have, &c.,

J. GORDON, Secretary.

APPENDIX T.

—:o:—

GUARANTEES TO DELIVER SHIPS' MANIFESTS WITHIN 24 HOURS SUBSEQUENT TO THE DEPARTURE OF THE VESSEL.

No. 1473.

BOMBAY CUSTOM HOUSE, 15*th May*, 1875.

The following extract para. 7, clause 2, of a Resolution from the Government of India, No. 66-C—69-C, dated 9th ultimo, on the subject of admitting guarantee to deliver Manifests, is transcribed for the information and guidance of the Custom House officers.

> "The Commissioner or Collector of Customs at chief ports should also devise such a system as shall ensure the receipt, without fail by the compilers of statistics of all papers from the other branches of the Custom House required for purposes of compilation. It is believed that in some case no sufficient check exists in regard to this point. It is of primary importance that all the trade of a month should be recorded in that month, and that papers required for the compilation of statistics should not run any risk of being overlooked until after the month's returns have been prepared. In Bombay, where the compilation of export statistics is based on the ships' Manifests, it is essential that provision should be made for the receipt of these Manifests, either prior to the departure of the ship or within 24 hours subsequent to her departure. It is understood that it frequently happens that owners and agents of vessels, though guaranteeing to deliver the Manifests within 24 hours, and obtaining clearances on such guarantee, nevertheless fail to file the Manifests for period extending at times to 15 or even 20 days. Should such a practice obtain, it must be regidly repressed, and no clearance subsequently granted except after receipt of the Manifest to any agent or owner who has once failed to deliver the Manifest according to guarantee."

2. The Commissioner understands that the practice has crept in of admitting guarantees in cases of sailing vessels, and even country craft, and this practice should forthwith be discontinued.

3. Guarantees are only to be admitted under particular circumstances, such as in the case of mail steamers, and the penalty of non-fulfilment of the guarantee should be strictly enforced.

4. The officers concerned will be held strictly responsible for the due observance of this order.

L. REID, Commissioner of Customs.

(True Copy.)

R. BABURAO,
For Commissioner of Customs.

No. 109 OF 1875.

BOMBAY, *29th May*, 1875.

L. REID, Esq., Commissioner of Customs.

SIR,—I am directed to acknowledge the receipt of your order No. 1473, dated 15th instant, in which it is laid down that guarantees to deliver ships' Manifests within 24 hours subsequent to the ship's departure are only to be admitted under particular circumstances, such as in the case of mail steamers, whilst in the case of sailing vessels they should forthwith be discontinued.

The Committee of the Chamber desire me respectfully to urge upon you the importance to the shipping interests of steamers and sailing vessels, bound for Foreign Ports, having the privilege of clearing under guarantee to deliver the Manifests within 24 hours after the ships' departure as heretofore. The Government of India, in their Resolution quoted in your order, do not apparently object to this practice, though they very properly do when owners and agents of vessels, who guarantee to diliver the Manifests within the reasonable period abovementioned, fail to do so for periods extending at times to 15 or even 20 days. The order under acknowledgment will have the effect of causing delay, expense, and inconvenience; and the Committee trust that you will, on reconsideration, be so good as to cancel it, and continue to allow steamers and sailing ships to obtain clearances on guarantees that the ships Manifests will be filed within 24 hours subsequent to the departure of the vessel.—I have, &c.,

J. GORDON, Secretary.

No. 1263 OF 1875.

BOMBAY CUSTOM HOUSE, *1st June*, 1875.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—In reply to your letter dated 29th May last on the subject of guarantees, I have the honour to inform you that the Government of India not having objected to the practice of allowing guarantees for delivery of Manifests within 24 hours subsequent to the departure of the vessel, the order referred to does not interfere with

this concession in the case of steamers; but, as far as sailing vessels are concerned, I do not see any reason why this concession should be allowed. Vessels lie in the harbour for weeks and days together, and if the printed directions on the back of the Export Shipping Bills were observed by all parties, there would not be the slightest difficulty in producing all the necessary papers at the time of applying for port clearance.—I have, &c.,

L. REID, Commissioner of Customs.

No. 115 OF 1875.

BOMBAY, 15*th June*, 1875.

L. REID, Esq., Commissioner of Customs.

SIR,—I am directed by the Committee of the Chamber to acknowledge the receipt of your letter No. 1263, dated the 1st instant, in which you state that "the Government of India not "having objected to the practice of allowing guarantees for deli-"very of Manifests within 24 hours subsequent to the departure of "the vessel, the order referred to does not interfere with this con-"cession in the case of steamers." As paragraph 3 of your Order No. 1473 might, however, bear a different construction, the Committee would esteem it a favour if you would cancel it, and issue an order in accordance with your letter under acknowledgment, so far as the same refers to steamers. The omission in the para. alluded to of the word "Mail" would appear to be sufficient.

As regards, however, your remarks on the concession being granted to sailing ships, I am directed to point out that, although the concession is not often asked for, it would be a matter of convenience, and occasionally of great importance, to such vessels, if the same privilege were conceded to them, as to steamers. A sailing ship cannot leave at all hours of the tide, and occasionally all papers cannot be ashore by the early hour the Custom House closes, so that by refusing clearance under guarantee a ship might not get away by the next morning's tide. The Committee fully appreciate the importance to the Government of all papers for the compilation of statistics being received without delay; but if difficulty is still experienced in getting in the Manifests within the guaranteed time, they would suggest that if a deposit of money of sufficient amount, liable to forfeiture on non-fulfilment of the guarantee, were insisted upon by the Custom House authorities, it would have the effect of putting an end to the delay which they now complain of. But, whatever plan be adopted, the Committee desire me to express the hope that, in the shipping interests of the Port, you will allow to sailing ships, as well as to steamers, the privilege of clearing under guarantee to deliver the ships' Manifests within 24 hours subsequent to the ships' departure.—I have, &c.,

J. GORDON, Secretary.

No. 1382 OF 1875.

BOMBAY CUSTOM HOUSE, *19th June*, 1875.

To the SECRETARY to the CHAMBER of COMMERCE.

SIR,—In reply to your letter dated 15th instant, I have the honour to point out that, though the Government of India do not object to the concession of guarantees in the case of steamers, it is not incumbent on this Department to grant them indiscriminately or at all on this account. It is willing, as per para 3 of the Order No. 1473, animadverted upon to allow of guarantees under particular circumstances, such as the case of mail steamers, and it is not thereby precluded from granting guarantees in the case of other steamers on due cause being shown inasmuch as Government have not absolutely prohibited the practice hitherto in force, though its existence is entirely opposed to the law. But the system of guarantees is open to grave objections, and this Department desires to reserve to itself the right of absolute control in this matter. No steamer, whether mail or otherwise, can claim as of right to enter a 24 hours or any guarantee.

2. I see no reason to alter my opinion with respect to sailing vessels.—I have, &c.,

L. REID, Commissioner of Customs.

APPENDIX U.

———:o:———

MERCANTILE MARINE LAW.

No. 1097.

MARINE DEPARTMENT,

BOMBAY CASTLE, 28*th August*, 1874.

From the SECRETARY to GOVERNMENT to the SECRETARY, BOMBAY CHAMBER of COMMERCE.

SIR,—I am directed to forward the accompanying copy of a letter from the Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, No. $\frac{1}{111}$, dated 1st August 1874, and of its enclosures, and to request that Government may be favoured with the opinion of the Chamber of Commerce on the subject therein referred to, and with such suggestions as may appear to the Chamber to be necessary in view to further legislation for the improvement of the existing marine mercantile law, as desired by the Government of India.—I have, &c.,

J. MACDONALD, Colonel,
Secretary to Government.

Nos. $\frac{1}{110-111}$.

CALCUTTA, 1*st August*, 1874.

From A. O. HUME, Esq., C.B., Secretary to the Government of India, to the SECRETARY to the GOVERNMENT of BOMBAY.

SIR,—After much discussion and deliberation regarding the enactment of a general consolidated law for the regulation of the mercantile marine in India, a Bill was drawn for this purpose and published in the *Gazette of India* of the 16th March 1867 as "the "Indian Shipping Bill, 1867." This project of law was not proceeded with, the Secretary of State for India having requested that legislation in this country should await the result of the consideration by Parliament of a consolidated mercantile shipping law, which was then under preparation in England.

2. In this position matters have since remained, legislation in India still awaiting the passing of the English law. The prospect of its enactment, however, seems remote, and meanwhile many

cases have occured from time to time, and have been referred to the Government of India as indicating the necessity of modifications in, and additions to, existing Indian laws on this subject. These references were held over, as received, for consideration when the Indian Shipping Bill should again come before the Legislature; but they at length became so numerous that it was deemed advisable to see what cases might be met by immediate and separate legislation, without waiting for the action of Parliament. The Government of Bengal was asked to state these cases, and the reply which has been received shows the measures which that Government desires to see enacted.

3. The Government of Bengal, as will be seen from the letter and its annexures forwarded herewith, desires legislative action to be taken:—

I.—For the amendment of section 71, Act I. of 1859, so as to enable the Shipping Master of a port to insist, not only as at present, that sufficient provisions, water, and medicines are shipped, but also that there shall be a proper supply of boats, lights, and marine stores generally on board.

II.—For the amendment of section 13, Act I. of 1859, to compel every ship to carry properly certificated officers (masters, mates, and engineers).

III.—To empower by law the Shipping Master or other authorized officers at ports to refuse discharges of seamen, and to require owners and masters of vessels coming out with the intention of remaining in this country to provide a return passage for their seamen discharged here, or to make a deposit on their account.

IV.—To provide that when a seaman convicted of desertion is left behind in prison, the master of the vessel shall be bound to deposit his wages and effects in the Shipping Office, the Shipping Master having power to settle the master's claim. Also, that masters shall be bound to report desertions within 48 hours, even if the man is not caught, on pain of having to deposit money for his passage home.

V.—To compel British vessels of all kinds to take distressed seamen and lascars from one Indian port to another, at rates to be fixed by authority.

VI.—To enlarge the constitution of Courts of Enquiry, and to define the power of Government to detain vessels in cases of collision.

VII.—To effect the following amendments of Act XV. of 1863—

1st.—To enable a Board or Court of Inquiry appointed by the Government, instead of the Admiralty Court, to try complaints involving loss of certificate for incompetency, when the certificate was given by the Board of Trade.

2nd.—To give power to the Government to inquire into wrecks of foreign vessels occurring on Indian shores.

3rd.—To give power to a local Government, other than that having jurisdiction in the place where a casualty occurs, to investigate if requested to do so.

4th.—Comparing sections 4 and 5 of Act XV. of 1863, to define the authority to whom a certificate, if suspended, should be given up: to the Court of Inquiry or to Government?

5th.—To define the mode of recovery of penalties imposed on a master under section 9.

6th.—To define what amounts to the "gross misconduct" referred to in the Act.

7th.—To empower the Court to enforce the production of the ships' log by the master.

8th.—To clear up doubts as regards the relative jurisdiction of Government and the Admiralty Court.

VIII.—To ensure a proper survey of ships.

IX.—To vest the Shipping Master with the powers of a Magistrate to enable him to deal with seamen's cases.

X.—To enforce the compulsory invaliding of seamen found on arrival to be suffering from contagious diseases.

XI.—To refuse clearance to overloaded steamers.

XII.—To enforce the provision of more accommodation for seamen than is allowed by section 70 of Act I. of 1859.

XIII.—To define more precisely the powers of a Shipping Master or his deputies in regard to the inspection of ships.

4. The questions dealt with under head III. have been treated separately on a special reference from the Government of Bengal, and need not be considered in connection with these papers. On many of the other points raised no action can be taken for the present; but there are some which seem to require decision at an early date, especially those noted under I., II., and V.; and if legislation is undertaken on account of these, it will probably be convenient to consider such of the remainder as well as any other questions of a similar class which may have arisen elsewhere as it will be possible to take up under present circumstances.

5. His Excellency in Council has accordingly directed me to forward the letter from the Government of Bengal, together with a collection containing the essential part of the correspondence quoted therein, on the various subjects discussed, and to request that the matter may receive the careful attention of His Excellency the Governor in Council, in communication with the Chamber of Commerce and other competent advising authorities, official and non-official.

6. The Government of Bombay also proposes an addition to the law now under consideration, in order that the Government may not be burdened with the cost of providing passages for shipwrecked passengers. His Excellency the Governor General in

Council hopes that this subject will also receive careful attention (see papers printed in the collection under head XIV).—I have, &c.,

A. O. HUME,
Secretary to the Government of India.

No 4579, *dated the* 31*st December*, 1873.

From A. MACKENZIE, Esq., Junior Secretary to the Government of Bengal, to the SECRETARY to the GOVERNMENT OF INDIA, Marine Department.

With reference to the letter No. 78, dated the 30th October 1872, from the Government of India, in the Marine Department, regarding the question of immediate legislation on special points of mercantile marine law, I am directed to reply as follows.

2. Mr. Crawford, the Collector of Customs, and Mr. Money, of the Board of Revenue, have, in their letter* herewith submitted, noted the following points as those which seem to them to call for early legislation:—

* Letter from Board of Revenue, No. 395B., and its enclosure.

(1).—The amendment of section 71, Act I. of 1859, so as to enable the Shipping Master, not only to see that provisions and water and medicines are sufficient, as at present, but to insist on a proper supply of boats, lights, and marine stores generally. This might be done by extending to Indian ports the sections of the English Act on this subject (292, &c.) which refer to English ports only. The question of compelling ships to carry lights at night has already been referred to the Government of India in the Marine Department in this Government letter No. 3514, dated 16th December 1870. The Shipping Master of Calcutta, and at other ports the Conservator, Custom House officer, or other appointed officer, should have power to stop clearance till all these matters are provided for.

(2.)—The amendment of section 13, of Act I. of 1859, to compel every ship to carry properly certificated officers. The Act provides only that the master and one officer besides of every foreign-going ship must possess valid and appropriate certificates of competency or service. This is held only to mean that the master must have a master's certificate, and the mate, or one mate, a mate's certificate of any class—not necessarily a "first" or "only mate's" certificate. The consequence is that some ships have no officer qualified to navigate the vessel if the master falls ill. The papers noted in the margin are herewith submitted as bearing on this subject. This question has also been discussed in the letter No. 2857, dated 12th August 1873, addressed to the Marine Department, and I am to take this

Letter from Board of Revenue, No. 247C., dated 17th May 1872.
Letter to Board of Revenue, No. 1984, dated 18th June 1872.
Letter from Board of Revenue, No. 317C, dated 25th June 1872.
Letter to Board of Revenue, No. 2583, dated 24th July 1872.
Letter from Board of Revenue, No. 424C., dated 19th August 1872.
And all enclosures.

opportunity of again pressing the point as one worthy of immediate attention.

(3)—The third point is that the Shipping Master of Calcutta, or the authorized officers at other ports, be empowered by law to refuse discharges. This is a matter on which much discussion has passed. Reference is requested to the letters noted on the margin, addressed to the Government of India, as bearing on the subject and explaining it fully. It is very desirable that an early settlement of the question should be come to.

To Marine Department, No. 2452, dated 7th July 1873.
To Home Department, No 3842, dated 13th August 1866.
To Marine Department, No. 673, dated 15th February 1869.

(4).—Mr. Crawford's 4th point is "that the forfeiture of a "seaman's effects shall not follow as a matter of course on "a conviction for desertion," *i.e.*, if a seaman has effects, wages due, &c., in the Captain's hands, some part should be attachable to meet the expense of sending the man home after his imprisonment for desertion is over. Mr. Money points out that under sections 83 and 93 of Act I. of 1859, all effects forfeited are carried to credit of Government after meeting any expenses incurred by the master or owner. There is truth in what Mr. Money says, but it does not meet the whole case. The difficulty has been frequently pointed out. The Magistrates' Courts cannot by *their* order meet it. What is wanted is a compulsory provision that when seamen are left behind in jail, their wages and effects shall be deposited in the Shipping Office, the Shipping Master having power to settle the master's claim. This was recommended in paragraph 5 of this Government letter addressed to the Marine Department, No 3503, dated 16th July 1868, and the subject was fully set forth in paragraph 11 of the Board of Revenue's letter No. 1781, dated 1st July 1867, submitted to the Home Department with this Government letter No. 3240, dated 25th July 1867. It was also discussed in this Government letter No. 6844, dated the 29th November 1865, addressed to the Home Department. Masters should also be made to report desertions within 48 hours, even if the man is not caught, on pain of having to deposit money for his passage home.

(5).—That provision be made for compelling vessels to take distressed seamen from one Indian port to another. On this point I am to annex a copy of a note drawn up in this office in 1868, showing that this Government at that time arrived at the following conclusions regarding Asiatic seamen:—

(*a*).—That where Asiatic seamen are left behind or deserted by their master in a foreign port, they may be returned to India, and the amount of their subsistence money recovered from the owners. This also applies to men deserted in Indian ports other than that of shipment.

(*b*.)—When they are shipwrecked, they can be returned in the same way, but Government bears the cost of subsistence allowance.

As to the rate of subsistence allowance when the shipwreck happens *out* of the British Indian territories, the Board of Trade's

rate is to be paid (section 211, Merchant Shipping Act); for British seamen this is one shilling (now one shilling and sixpense) a day. There is no provision in the law for sending shipwrecked Asiatic seamen from one Indian port to another at which they may have shipped.

The Lieutenant Governor is of opinion that provision should be made in the new Bill now coming before Council, making it compulsory for British ships of all and every kind, in the widest sense of the term, to pick up shipwrecked lascars *within Indian Waters*, and to take them to the nearest possible port of call to that at which they shipped, or to any other port from which a passage may be most conveniently obtained to such port of shipment. Provision should also be made for compelling other ships to take them on from such intermediate ports. And the law should give the Government power to fix the rate *per diem* which the carrying ships may claim as payment for passage and diet money; this, I am to say, the Lieutenant Governor has fixed provisionally at six annas. I am to submit further on this subject copy of a letter, No. 546C., dated the 28th October 1872, and of its enclosures, from the Board of Revenue, as well as copy of Mr. Cowie's opinion, dated 30th December 1868, on the same question. If the compulsory provisions recommended above be introduced into the Act, the second point raised in the Board's letter (as to the obligation of British ships of *every* description to carry shipwrecked native Asiatic seamen at rates fixed by authority) will be settled. The provisions should be so framed as to cover the case of all distressed seamen, whether shipwrecked or otherwise. And the Bill should also be framed so as to decide the first point raised in the Board's letter, and to leave no doubt that all British ships are similarly bound to convey distressed European British seamen from Indian ports to the nearest port at which they can conveniently be provided with passages to England. In connection with this subject, some consideration seems to be required regarding the terms "abroad" and "home," upon which Mr. Paul has so much dwelt in his opinion. The Lieutenant-Governor is inclined to think that, as far as India is concerned, both he and Mr. Cowie use them in too limited a sense. They both treat India as one Government and one jurisdiction for the purposes of the maritime law on the subject under discussion. This seems hardly warranted by the general tenor of Act I. of 1859, which treats local Governments as separate and independent for shipping purposes, and it appears that the English Act, section 22, of 18 and 19 Vic., Cap. 91, contemplated this division, as it provides for returning lascars to the presidency, or district, or part of the territories of the East India Company to which they belong. And in regard to the registry of ships (17 and 18 Vic., Cap. 104, clauses 4 and 5 of section 30) the same division seems to be kept in view, and this is also the case in Act XV. of 1863. The Lieutenant-Governor desires to urge the necessity of being precise in defining what is meant in the existing and in future legislation on this subject, by the territories under a Government, whether the Government of India is

Board's letter No. 546C., dated the 28th October 1872, and its enclosures.

spoken of as a whole, or whether each local Government is referred to separately.

3. With reference to this Government letter No. 3404, dated the 18th September 1873, addressed to the Legislative Department of the Government of India, a copy of which is herewith submitted, the Lieutenant-Governor has no doubt that the points taken up in the draft Bill, forwarded with the Legislative Department's No. 430, dated 2nd September 1873, will be incorporated in any more extensive revision of the Mercantile Shipping Acts, and that provision will be made for giving an enlarged constitution to Courts of Inquiry, &c. I am, however, again to draw attention to the correspondence noted in the margin, and to say that if legislation is to take place the power of Government to stop colliding vessels ought certainly to be defined.

No. 2643, dated 18th August 1872.
No. 2922 „ 19th „ „
No. 350 „ 20th January 1873.

4. As regards Act XV. of 1863, I am to remind the Government of India that many questions have arisen from time to time in connection with its working, which, taken together, seem to show that a very extensive revision of the Act is called for, and that much practical difficulty has been found in working it.

(*a*).—In the letter No. 2983, dated 22nd April 1865, to the Home Department, this Government urged a modification of the Act, so as to enable a Board or Court of Inquiry appointed by the Government, instead of the Admiralty Court, to try complaints involving loss of certificate for incompetency when the certificate was given by the Board of Trade. The Board of Trade approved of establishing a new jurisdiction for trial of cases "relating to "casualties to ships, and to the misconduct or incompetency of "masters and mates." This being so, there seem no objection to a speedy amendment of the law in this respect.

Vide Home Department's endorsement No. 420, dated 12th January 1866.

(*b*).—The Honorable Ashley Eden's letter No. 724, dated 6th February 1866, showed that the Government has no power to inquire into wrecks of foreign vessels occurring on Indian shores. Legislation was then promised, but the Act is to this day the same.

(*c*).—In the case of the grounding of the British Indian Steam Navigation Company's steamer *Arabia* off Hope Island, Coringa, the question was raised whether a local Government, other than that having jurisdiction in the place where the casualty occurred, should not have power to investigate, if requested to do so. This would certainly be convenient, and should not be overlooked.

Letter to Home Department, No 58T., dated 25th April 1866.

(*d*).—I am also directed to invite attention again to the case of the *Shahzada*, out of which arose these points—

Marine Department's endorsement No. 32, dated 12th April 1869, and connected correspondence.

(1).—Comparing sections 4 and 5 of Act XV. of 1863, when is the certificate, if suspended, to be given up? To the Court of Inquiry or to Government?

(2).—How are penalties imposed on a master under section 9 to be recovered? The Advocate General was of opinion that this could be done only by sale of the ship, under section 113, Act I. of 1859, or by information by the Advocate General on behalf of the Crown, while the latter procedure was the *only* one that could be adopted in case of mates and engineers.

(3). What amounts to be gross misconduct referred to in the sections?

Letters to the Marine Department, No. 346, dated 26th January 1869, and No. 1255, dated 23rd March 1869.

(4).—The Court has no power to call on the master to produce his log. All these are matters on which the Act is sadly defective.

(*e*).—In the case of the *John Chism*, which was reported to the Marine Department in this Government letter No. 5406, dated 12th November 1868, it was shown that the confirmation of Government was held not to be necessary to the Admiralty Court's decision, notwithstanding the terms of section 4 of Act XV. of 1863. There should be no doubt on a point like this when the relative jurisdiction of Government and the High Court is in question.

5. With reference to my letter No. 3863,* dated 8th October 1873, to the Department of Agriculture, Revenue, and Commerce, regarding the condition of the *Shah Jehan*, I now submit copy of an abstract, prepared by the Under-Secretary, Mr. Crawford, and of the papers on which it is based. The plan suggested by the Port Commissioners for ensuring the proper survey of ships seems to the Lieutenant-Governor worthy of consideration. His Honor is of opinion (1) that ships not regularly classed at home should be subjet to some sort of public controlled or licensed survey, and (2) that captains should be made penally responsible for disclosing accidents and latent defects especially in emigrant ships (as in the *Shah Jehan* case): and that masters concealing a defect should be liable to punishment under the Merchant Shipping Act.

* Copy forwarded.

6. The following further points in connection with the subject of this letter have been raised at one time or another, and may perhaps be considered by the Government of India at the present time, so far as they do not depend on home legislation:—

(1).—The question of requiring owners and masters of vessels coming out with the intention of remaining in this country to provide passage home for their seamen discharged here, or to make a deposit on their account, was referred to in letter No. 3503, dated 16th July 1868. The matter was to be considered by the Board of Trade. It is just a question, however, whether the Shipping Master should not have power given him under the Indian Act at once to deal with such discharges. This subject is connected with that treated of in paragraph 2, clause (3) of this letter.

(2).—It has been repeatedly proposed to vest the Shipping Master with the powers of a Magistrate to enable him to deal with seamen's cases †

† Paragraph 2 of letter No. 3503, dated 16th July 1868, to Marine Department.

Letter No. 1055 dated 28th February 1867, to Home Department.

(3).—In this Government letter No. 4610, dated 17th September 1868, to the Home Department, it was proposed to enforce compulsory invaliding of seamen found on arrival here to be suffering from contagious diseases; but this matter cannot probably be dealt with till the law compels the appointment of a Health Officer of the Port with defined powers.

(4).—The question of overloading steamers leaving this port has been submitted to the Marine Department with this Government letter No. 2823½, dated 13th August 1872, but it is probable that this will not be taken up till the question of a load line is settled at home.

(5).—With reference to this Government letter No. 2774, dated 7th August 1872, regarding certificates of competency for engineers, I am to say that, as far as Bengal is concerned, the local Act is sufficient, but the point was raised as a general one, and attention may be invited to it.

(6).—The insufficiency of accommodation provided by section 70 of Act I. of 1859 for seamen has been several times reported. Nine superficial feet is quite insufficient. A native emigrant gets twelve, and the Master Attendant has suggested that that amount should be secured for Europeans and a separate hammock or bunk for each, but that four feet would do for lascars, as they seldom sleep below.

(7).—Though the Shipping Master and his deputies visit and inspect ships, their powers under the law are *nil*. A section like 226 of 17 and 18 Vic., Cap. 104, should be enacted, empowering Shipping Masters or deputies to inspect *suo motu*, and defining their powers more precisely.

No. 383 OF 1874.

BOMBAY CHAMBER OF COMMERCE, *24th December*, 1874.

To the SECRETARY to GOVERNMENT, Marine Department, Bombay.

SIR,—The Committee of the Chamber of Commerce having had under consideration your letter No. 1097, dated 28th August last, with the accompanying papers, have now the honour to submit the opinion of the Chamber on the various suggestions made by the Government of Bengal to the Government of India, and submitted by the Government of India to the Government of Bombay in their letter, dated 1st August 1874, No. $\frac{1}{110-111}$, for the improvement of the existing marine mercantile law. The points raised are for convenience, dealt with according to the sections as specified in para. 3 of the last-named letter.

I.—The Chamber concurs in the opinion of the Government of Bengal that it is desirable to amend section 71 of Act I. of 1859, so as to enable the Shipping Master of a port to insist, not only as at present that sufficient provisions, water, and medicines are shipped, but also that there shall be a proper supply of boats, lights, and

marine stores generally on board, providing that the powers of the Shipping Master are properly defined in the Act. It recommends that the sections of the English Acts on the subject of a proper supply of boats and lights be extended to Indian Ports. But as regards a provision for a proper supply of "marine stores generally" the Chamber thinks that as this term is wide and comprehensive, the articles intended to be included under it should be particularized. The only provision in the English Act of 1854 relating to stores of this description appears to be contained in clause 361 on the subject of the equipment of steam-ships, and if it is the intention of Government to introduce that section into the proposed Indian Act, the Chamber sees no ground for objection.

II.—The Chamber considers it extremely desirable that section 13 of Act I. of 1859 should be amended to compel every ship to carry properly certificated officers (masters, mates, and engineers).

III.—The Chamber approves of the proposal to empower, by law, the Shipping Master or other authorized officers at ports to refuse discharges of seamen, and to require owners and masters of vessels coming out with the intention of remaining in this country to provide a return passage for their seamen discharged here, or to make a deposit on their account.

IV.—The Chamber approves of the proposal to insert a clause enacting that when a seaman, convicted of desertion, is left behind in prison, the master of the vessel shall be bound to deposit his wages and effects in the Shipping Office, the Shipping Master having power to settle the master's claim, providing that the balance remaining after settlement of the master's claim is carried to the credit of Government, who may, if they deem it expedient, apply the same, or any part thereof, towards meeting the expense of sending the man home after his imprisonment for desertion is over. To restore to a seaman, convicted of desertion, the balance of his effects after settling the master's claim, would be equivalent to offering a premium on desertion, which the Government should exert every possible means to discourage.

The Chamber approves of the remaining portion of this clause, making it obligatory on masters to report desertions within 48 hours, even if the man is not caught, on pain of having to deposit money for his passage home.

The Chamber also approves of this clause which compels British vessels of all kinds to take distressed seamen and lascars, from one Indian port to another, at rates to be fixed by authority.

VI.—As regards the proposed enlarging of the constitution of Courts of Enquiry, the Chamber refers to the report of the Special Committee of the Chamber which sat in August last on the proposed "Merchant Shipping Act 1874," forwarded to Government with the Chamber's letter No. 198 of 1874 to the Secretary of the Marine Department, dated 20th August 1874.

VII.—The Chamber considers it desirable that Government should have the powers contemplated by clauses 1, 2, 3, and 7 under this section, that the authority to whom a certificate, if suspended, should be given up, referred to in clause 4, should be defined, the mode of recovery of penalties imposed on a master referred to in

clause 5 should be defined, the doubts as regards the relative jurisdiction of Government and the Admiralty Court referred to in clause 8 should be cleared up, and that what amounts to "gross "misconduct" as used in the Act referred to in clause 6 of this section should be defined; but that the various powers, definitions, and elucidations, embraced in these clauses, are matters which Government alone can deal with.

VIII.—This section proposes legislative action being taken to ensure a proper survey of ships. As regards steamers it appears to the Chamber that, so far as Bombay is concerned, the recently revised Act No. IV. of 1873 of the Legislative Council of Bombay is quite sufficient. But as the Board of Trade certificates save steam-vessels from survey here, unless the vessel has been more than six months away from England, the Chamber desires to urge that the Indian certificate of seaworthiness should be acknowledged in Great Britain in the same way as the Board of Trade certificate is acknowledged here. It is clearly unjust to ship-owners that they pay a heavy fee for having their ship surveyed, say in Bombay, and, if she goes home, have to pay the same fee over again for the same thing, 30 days afterwards. With regard to sailing ships of the class referred to in the note giving the substance of the replies to the enquiries contained in the Resolution of the Government of Bengal, of 16th September (vide collection of papers relating to the amendment of the mercantile marine law of India, pages 137, 138, 139, and 140), the Chamber certainly thinks that it would be advisable to legislate for the prevention of unseaworthy vessels of every description leaving port.

IX.—The proposal to vest the Shipping Master with the powers of a Magistrate to enable him to deal with seaman's cases is not approved by the Chamber. It prefers the present system under which a Magistrate only is empowered to deal with such cases, believing that the publicity of the proceedings of a Magistrate's Court is the best guarantee of the disputes or trials, which come before it, being properly conducted.

X.—The Chamber concurs in the propriety of enforcing the compulsory invaliding of seamen found on arrival to be suffering from contagious diseases.

XI.—On the proposal to refuse clearance to overloaded steamers, the Chamber is not prepared to give an opinion. The question, which is one of very great importance, has for some time been engaging attention in England. The Chamber deprecates hasty orimperfectly considered legislation upon it, and recommends that its consideration be postponed until the question has been decided at home.

XII.—As regards enforcing the provision of more accommodation for seamen than is allowed by section 70 of Act I. of 1859, the Chamber considers that in the case of European seamen, the provisions of the English Act (vide section 231 of the Merchant Shipping Act of 1854) should be made applicable to India.

XIII.—This section proposes to define more precisely the powers of a Shipping Master, or his deputies, in regard to the inspection of ships, but the proposal is one upon which the Chamber can offer

no opinion, the powers of the Shipping Master never having, so far as they are aware, been questioned in Bombay.

The Chamber has now, as requested, given its opinion on the various questions, for the improvement of Marine Mercantile Law, submitted by the Government of India in their letter to the Government of Bombay, dated 1st August 1874. It is informed, however, that the consolidated mercantile shipping law, referred to in para. 1 of that letter, as being under preparation in England, is likely to come before Parliament in the approaching session. That measure will, doubtless, embrace the results of all recent mercantile shipping experience, and the Chamber submits, for the consideration of the Government of India, that legislation of any kind on the subject should be deferred until the English consolidated law is passed, when the same, with such modifications as circumstances rendered necessary, might be made applicable to India.—I have, &c.,

J. GORDON, Secretary.

No. 606 OF 1875.

MARINE DEPARTMENT,

BOMBAY CASTLE, *26th May*, 1875.

From the SECRETARY to GOVERNMENT to the SECRETARY, BOMBAY CHAMBER of COMMERCE.

SIR,—With reference to your letter dated 24th December 1874, I am directed to forward, for the information of the Chamber of Commerce, the accompanying copy of a Resolution by this Government, No. 606 of this date, regarding the improvement of the existing Mercantile Marine Law.—I have, &c.,

J. MACDONALD, Colonel,
Secretary to Government.

No. 606.

MARINE DEPARTMENT,

BOMBAY CASTLE, *26th May*, 1875.

Letter from the Shipping Master, No. 432, dated 21st September 1874.

Letter from the Senior Magistrate of Police, No. 463, dated 15th October 1874.

Report by the Superintendent of Marine, No. 509, dated 19th October 1874.

Letter from the Deputy Conservator and Master Attendant of the Port, No. 944, dated 20th October 1874.

Letter from the Government Solicitor, No. 1187, dated 28th October 1874.

Letter from the Secretary, Bombay Chamber of Commerce, dated 24th December 1874.

Reporting on the suggestions conveyed in Government Resolution No. 1097, dated 28th August 1874, for the improvement of the existing Marine Mercantile Law.

RESOLUTION.—Copies of these reports should be submitted to the Government of India, in reply to Mr. Secretary Hume's letter No. 1—111, dated 1st August last.

2. The suggestions offered in them are quite in accord with the proposals made by the Government of Bengal for undertaking further legislation in view to placing the present status of the Mercantile Marine on a more satisfactory footing in respect of the relations at present existing between ship-owners and masters, and between the latter and the seamen generally. It appears from these reports that many of the shortcomings of Act I. of 1859, which it is proposed to rectify by fresh legislation, have been already foreseen and provided for so far as this Presidency is concerned; and that, therefore, the difficulties alleged to exist in Bengal in respect of them have not been felt with the same force on this side.

3. The suggestions made by the Shipping Master, the Government Solicitor, and the Chamber of Commerce should be commended to the attention of the Government of India in view to their consideration in connection with the Shipping Bill now awaiting final action by the Council of His Excellency the Viceroy for making Laws and Regulations. It should be stated that whatever legislation may be determined upon, it should be clear both in the letter and spirit so as to admit of no possible misapprehension of the scope and powers of Marine Courts of Enquiry.

4. By Act IV. of 1875, the constitution of such Courts has been altered so as to admit of not less than two nor more than four persons forming the Court.

J. MACDONALD, Colonel,
Secretary to Government.

APPENDIX V.

———:o:———

PROPOSAL BY THE SHIPPING MASTER FOR CHECKING DESERTION BY ASIATIC SEAMEN.

No. 1407.

MARINE DEPARTMENT,

BOMBAY CASTLE, *20th November*, 1874.

From the SECRETARY to GOVERNMENT to the SECRETARY, BOMBAY CHAMBER of COMMERCE.

SIR,—I am directed to forward the accompanying copy of two letters from the Shipping Master, *Nos. 477 and 488, dated 27th and 30th October, and to request that Government may be favoured with an expression of the views of the Chamber of Commerce on the proposals therein made with a view to check desertion by Asiatic seamen from vessels in this Port.—I have, &c.,

J. MACDONALD, Colonel,
Secretary to Government.

* With enclosures in original (to be returned).

No. 477 OF 1874.

SHIPPING OFFICE, BOMBAY, *27th October*, 1874.

To the SECRETARY to GOVERNMENT Marine Department,

SIR,—In view of the desertions that are constantly taking place from vessels in this Port, I consider it advisable to offer a few suggestions on the subject to the end that the business of this office, in the matter of shipping seamen and providing that they shall join the vessel at the appointed time, may be conducted in a more satisfactory manner than is the case at present.

In noticing the desertions that have taken place from one or two of the P. and O. steamers as follows :—

S. S. "Lombardy,"	12.
S. S. "Nubia,"	8.
S. S. "Hydaspes,"	12.
S. S. "Geelong,"	2.

I admit that such a state of affairs is most unsatisfactory, and is

under the present system without any remedy in the way of the apprehension of the deserters with a view to their punishment owing to the impossibility of identifying the parties.

To cure this evil, and to ensure that deserters shall meet with punishment for their offences, I would submit the following form of discharge for all Asiatics engaging in ships and deserting with their advances which are always given in cash in this office in the presence of myself or deputy.

This idea is one that is practised in the Mauritius with every man seeking employment under the Emigration Act, and has no doubt suggested itself as the only means of protection afforded to employers of labour, and leaves no loophole for the escape of the vagabond and loafer.

On the engagement of any seaman his discharge should be at once handed to the master of the vessel engaging him.

The first cost of the discharge to be on the seaman, and would last him four or five years, and be a guide to his worth by being an incontestable proof that it belonged to him, as substitution would be impossible.

I would not trouble about his height, marks, &c., as his likeness would answer all purposes.

On mustering his crew before proceeding to sea, he could tell at a glance whether any men were substituted for those engaged by him at the Shipping Office.

It is a common complaint against Shipping Offices, both at Bombay and all other ports, not excepting Calcutta in spite of the denial of the statements made by me in a former letter No. 390, dated 12th September 1873, that nearly half of the men that sign never join the ships they engage in, but that worthless men are sent on board at the last moment.

The discharge I now submit to Government leaves no chance of such tricks passing undetected.

On leaving Port, the master of the ship should return the discharges of those men not on board under cover to the Shipping Master of the Port, who would be in a position to cause the arrest and punishment of the delinquents.

It may be stated as an objection to this proposal that men would not submit to be photographed with a view to their punishment for deserting and other offences afloat, but I would point out that it is for their protection against impositions ashore on engagement that the step should be taken.

It is impossible for Europeans to identify natives that they have engaged in their vessels, and any master of a ship will state that he is enable to swear to any of his crew of Asiatics a week or even a day after he has engaged them at the Shipping Office.

In addressing Government on this subject, I do not insinuate any unfair dealing on the part of the licensed Shipping Agents, attached to this office, who is under a heavy security that he shall perform his duties in a legal and proper manner.

On the other hand, the Shipping Agent is the only official who can recognize deserters from ships, and it is in his power to screen deserters by shipping them in other vessels under the eye of the Shipping Master who is unable to say that he was a deserter from another vessel which might then be in the Harbour.

The discharges now given to Asiatics are simply a waste of paper as there is no doubt they are handed from one to another, and from the difficulties already pointed out they can never be brought to account, no European being able to swear to the culprit.

I would give ample time for the change to take place, but after a fixed date no Asiatic seaman should be allowed to be shipped unless he produced the form of discharge now submitted.

If this plan is adopted, there will be no escape for the deserter, and in the course of a few months desertion and the substituting of one man for another would be detected without the necessity of having to appeal to those who may be interested in the concealment of the offiender, in order that he might be shipped in another vessel with a view to the condoning of the serious offence of desertion by a return of the advance given as the price of his immunity from imprisonment which should always be the climax to the ofience, and which is the only effectual remedy to the removal of the existing reproaches against Shipping Offices in India.

I would respectfully suggest that this matter may be laid before the leading firms in Bombay, through the Chamber of Commerce when discussions would take place on this important subject which would be of considerable value to Government in connection with the forthcoming Shipping Bill.—I have, &c.,

W. H. WALKER,
Acting Shipping Master.

No. 488 of 1874.

SHIPPING OFFICE, BOMBAY, 30*th October*, 1874.

To the SECRETARY to GOVERNMENT, Marine Department.

SIR,—In continuation of my letter on the subject of the proposed new form of discharge for Asiatic seamen engaged at this Port,—

I have made enquiries as to the cost of the photographs, and find they are procurable at from 12 annas to 1 rupee each.

They can be produced at the rate of twenty per day.

It is unnecessary for me to dilate on the advantages of the proposed scheme which would give the master of the vessel complete power over his men at any Port, and put a stop to our being dependent on Shipping Agents, and enable Shipping Offices to carry out the provision of Section IV. of the Indian Merchant Shipping Act No. 1, of 1859, and insist on its being attended to in its fullest sense.—I have, &c.,

W. H. WALKER,
Acting Shipping Master.

No. 56 OF 1875.

CHAMBER OF COMMERCE,

BOMBAY, *4th March*, 1875.

The SECRETARY to GOVERNMENT, Marine Department.

SIR,—I have the honour to acknowledge the receipt of your letter No. 1407, dated 20th November last, with its accompaniments, requesting that Government may be favoured with an expression of the views of the Chamber of Commerce on the proposals of the Shipping Master to check desertion by Asiatic seamen from vessels in this Port.

In reply, I am directed to inform you that, in the opinion of the Chamber, the suggestion of the Shipping Master is a very good one, and worthy of support. Deserting among Lascar crews is becoming more general every day. The P. and O. Steam Navigation Company, and probably other large companies, suffer no loss from this cause, as all their men are hired through a shipping broker, who has to repay the advances of all men who do not sail in the ship. But small shipowners must be great sufferers, as the men desert only when they get a month's advance of wages, which is always received in cash.

As requested, I return the original papers, which accompanied your letter.—I have, &c.,

J. GORDON, Secretary.

APPENDIX V [2].

—:o:—

THE NATIVE PASSENGER SHIPS BILL, 1875.

No. 401 OF 1875.

GENERAL DEPARTMENT,

BOMBAY CASTLE, *9th February*, 1875.

To the SECRETARY to the BOMBAY CHAMBER of COMMERCE, Bombay.

SIR,—I am directed by His Excellency the Governor in Council to forward herewith a copy of the Native Passenger Ships Bill,* as settled by the Select Committee of the Council of the Governor General of India for making Laws and Regulations, in consultation with Mr. Kittredge, of the Firm of Messrs. Stearns and Hobart of Bombay, and to request that you will be so good as to favour this Government with the early opinion of the Chamber on its provisions.—I have, &c.,

E. JAMES,
For Chief Secretary to Government.

*Received from the Secretary to the Government of India in the Legislative Department.

A BILL to CONSOLIDATE and amend the Law relating to Native Passenger Ships.

Preamble.

Whereas it is expedient to consolidate and amend the law relating to Native Passenger Ships; It is hereby enacted as follows :—

CHAPTER I.

PRELIMINARY.

Short title.

1. This Act may be called "The Native Passenger Ships Act, 1875."

Extent and application of Act.

2. It extends to the whole of British India, and applies—

(*a*) to all subjects of Her Majesty within the dominions of Princes and States in India in alliance with Her Majesty;

(*b*) to all Native Indian subjects of Her Majesty without and beyond British India; and,

(*c*) subject to the exceptions mentioned in the subsequent part of this section, to vessels carrying more than thirty passengers, being Natives of Asia or Africa.

Nothing herein contained applies—

(*d*) to any Ship of War or Transport belonging to, or in the service of, Her Majesty;

(*e*) to any Ship of War belonging to any Foreign Prince or State;

(*f*) to any ship not carrying as passengers more than thirty Natives of Asia or Africa;

(*g*) to any steamer not carrying as passengers more than sixty of such Natives;

(*h*) to any ship or steamer not intended to ply to or from any port in British India.

Commencement. 3. This Act shall come into force on the first day of 1875.

Repeal of Acts. 4. On and from that day the Acts specified in the Schedule hereto annexed shall be repealed.

But all ports, places and officers appointed, and all certificates granted, under any of the said Acts, shall be deemed to be respectively appointed and granted under this Act;

and the last clause of section one of Act No. II. of 1860 (*to amend the law relating to the Carriage of Passengers by Sea*) shall be read as follows:—

"Voyages from ports in British India to ports in the Red Sea or Persian Gulf, under the Native Passenger Ships Act, 1875."

Interpretation clause. 5. In this Act—

"Magistrate." The expression "Magistrate" means a person exercising powers not inferior to those of a Magistrate of the second class, and includes a Justice of the Peace, and, at the Port of Aden, the Political Resident and his Assistants:

"Ship." The expression "ship" includes every description of vessel used in navigation not propelled by oars:

"Master." The expression "Master" includes every person (other than a pilot) having command or charge of a ship;

"Passengers." The expression "Passenger" means a person above twelve years, or two persons between the ages of one year and twelve years; but it does not include a person in attendance on another person who is not a Native of Asia or Africa, nor a child under one year of age:

"Long voyage." The expression "long voyage" means any voyage during which the ship performing it will under ordinary circumstances be ninety-six hours or upwards continuously out of port:

"Short voyage." The expression "short voyage" means any voyage during which the ship performing it will never under ordinary circumstances be ninety-six hours continuously out of port; and

"Chief Officer of Customs." the expression "Chief Officer of Customs" means the executive officer of highest rank in the Department of Customs in any port to which this Act applies.

CHAPTER II.

RULES FOR ALL VOYAGES.

Ship to sail only from ports appointed by Government.

6. No ship shall depart or proceed from any port or place within British India other than such ports and places as the Local Government may from time to time appoint in this behalf;

and after any ship has departed or proceeded upon any such voyage from a port or place so appointed, no person shall be received on board as a passenger, except at some other port or place so appointed.

Not to sail without certificate.

7. No ship shall commence any such voyage from any port or place appointed under this Act, until the Master has obtained from an officer authorized by the Local Government in this behalf a certificate stating the particulars mentioned in section eleven, the voyage or voyages for which she is destined, the number of passengers which she may carry on such voyage and such other particulars (if any) as may for the time being be required for such ship under this Act.

Master to give notice of day of sailing, &c.

8. The Master shall give notice to the officer so authorized that the ship is to carry Native Passengers, and of her destination, and of the proposed day of sailing.

Such notice shall be given not less than three days before the proposed day of sailing.

Power to enter and inspect ship.

9. After receiving such notice, the officer aforesaid, or any person authorized by him, shall be at liberty at all times to enter and inspect the ship and the fittings, provisions and stores therein.

Ship may be surveyed.

10. The officer aforesaid may, if he think fit, cause the ship to be surveyed at the expense of the Master or Owner by competent Surveyors, who shall report to him whether the ship is, in their opinion, seaworthy and fit for her intended voyage.

Officer to be satisfied, before giving certificate.

11. The officer aforesaid shall not give his certificate, unless he be satisfied—

that the ship is seaworthy.

(*a*) that the ship is seaworthy and properly manned, equipped, fitted, and ventilated; and contains the space for passengers prescribed for it by this Act.

that there is a due supply of provisions.

(*b*) that provisions, fuel, and water, over and above the victualling of the crew, and the other things (if any) prescribed for the ship by rule under section forty, have been placed on board, of the quality prescribed by rule under the same section, properly packed, and sufficient to supply the passengers on board during the

declared duration of the intended voyage, according to the scale for the time being prescribed by rule under the same section, and the certificate shall state the above particulars.

Contract by passengers for supply of their own provisions.

12. The requirements of this Act respecting the supply of provisions for passengers shall not, except as to the supply of water, be applicable to any passenger who has contracted to furnish his own provisions, and who has, in the opinion of such officer as the Local Government appoints in this behalf, actually furnished such provisions of the quality and to the amount for the time being prescribed by rules made under this Act.

CHAPTER III.

RULES FOR SHORT VOYAGES.

Space to be provided for passengers.

13. For seasons of fair weather every ship performing a short voyage shall contain in the between-decks at least six superficial feet and thirty-six cubic feet of space for every passenger.

For seasons of foul weather every ship performing a short voyage shall contain in the between-decks at least twelve superficial feet and seventy-two cubic feet of space for every passenger.

Survey after grant of certificate.

14. When a certificate has been granted for any such ship under this or any other Act in force in British India, certifying to the particulars required by section eleven to be certified, it shall *not* be necessary to survey such ship for six months *after* the grant of such certificate.

Proviso.

Provided that, if the officer authorized to grant such certificates has reason to think that such ship has met with damage or has undergone alterations, or that there is any other reason why she should be again surveyed, he may direct such survey to be made, and may thereupon at his discretion—

(*a*) revoke the existing certificate, or
(*b*) endorse it as being valid, or
(*c*) grant a new certificate.

Copy of certificate to be exhibited.

15. The Owner or Master shall put up in a conspicuous part of the ship, so as to be visible to persons on board the same, a copy of the said certificate granted under this Act in respect of the ship, and shall keep such certificate in such position so long as it remains in force.

Grant or revocation of certificate to be subject to control of Government.

16. In granting or revoking any certificate under this Act, the officer granting or revoking the same shall be subject to the control of the Local Government, or of any intermediate authority which that Government may from time to time appoint in this behalf.

CHAPTER IV.

RULES FOR LONG VOYAGES.

17. Every ship propelled by *sails* performing a long voyage shall contain in the between-decks at least twelve superficial feet and seventy-two cubic feet of space for every passenger.

Space to be provided for passengers.

Every ship propelled by steam, or partly by steam and partly by sails, performing a long voyage shall contain in the between-decks at least nine superficial feet and fifty-four cubic feet of space for every passenger.

18. The officer authorized to grant a certificate under this Act, in respect of any ship mentioned in section seventeen, shall not grant the same, unless he is satisfied that she has not on board any cargo likely from its quality, quantity, or mode of stowage to prejudice the health or safety of the passengers.

Certificate not to be granted unless cargo unobjectionable.

19. The Master of every such ship, before departing or proceeding on any long voyage from any port or place in British India, shall sign two statements, specifying the number and the respective sexes of all the passengers, and stating the number of the crew; and shall deliver them to the officer last aforesaid, who shall thereupon (after having first satisfied himself that the numbers are correct) countersign and return to the Master one of such lists.

Statement of passengers.

The Master shall note in writing on such last-mentioned list, and on any additional list to be made under the next following section, the date and supposed cause of death of any passenger who may die on the voyage, and shall forthwith, on the arrival of the ship at her destination or at any port at which it may be intended to land passengers, and before any passengers are landed, produce the list, with any additions thereto made, to any person lawfully exercising Consular authority on behalf of Her Majesty at the port of arrival, if it be a foreign port, or to the Chief Officer of Customs, or the officer (if any) appointed under this Act to receive such lists, at any port or place at which it is intended to land the passengers, or any of them.

20. If, after the ship has departed or proceeded on any long voyage, any additional passengers are taken on board at a port or place within British India appointed under this Act for the embarkation of passengers,

Ship taking additional passengers and touching at intermediate port.

or if such ship, upon her voyage, touch or arrive at any such port, having previously received on board additional passengers at any place without British India,

the Master shall obtain a fresh certificate from the proper officer at such port, and shall make statements specifying the number and the respective sexes of all such additional passengers;

and all the provisions hereinbefore contained in that behalf shall

be applicable to any certificate granted or statement made under this section.

Bond when ship clears for port in Red Sea.

21. In the case of every ship sailing from any port within British India to any port in the Red Sea, the officer whose duty it is to grant a port-clearance for any such ship, shall not grant such clearance unless and until the owner, agent, or master of such ship and two sureties resident in British India have by a joint and several bond become bound unto the Secretary of State for India in Council in the penal sum of five thousand rupees, for the purpose of binding the ship to touch at Aden on the outward voyage and there to obtain a clean bill of health, and to do the same on the homeward voyage if she continue (being propelled by sails) to carry more than thirty passengers, or (being propelled by steam or partly by steam and partly by sails) to carry more than sixty passengers.

Ships sailing to or from port in Red Sea to touch at Aden.

22. Every ship carrying more than thirty passengers being Natives of Asia or Africa, and sailing from any port in British India to any port in the Red Sea,

or sailing from any port in the Red Sea to any port in British India,

shall touch at Aden, and shall not leave that port without having obtained from the proper authority a clean bill of health.

Bill of health.

23. No bill of health shall be granted under section twenty-one or section twenty-two in case the ship has on board a greater number of passengers or persons than in the proportion prescribed for her by this Act.

CHAPTER V.

PENALTIES.

Penalty for ship unlawfully departing.

24. If any ship departs or proceeds upon a voyage from any port or place within British India in contravention of the provisions of section six or section seven,

or if any person is received as a passenger on board a ship in contravention of the provisions of the second clause of section six,

the Owner or Master shall, for every passenger conveyed in such ship, or for every passenger so received on board, be liable to a penalty not exceeding one hundred rupees, or to imprisonment not exceeding one month, or to both ;

and the ship, if found within two years in any port within British India and belonging to a British subject, may be seized and detained by any Chief Officer of Customs until the penalties incurred under this Act have been adjudicated, and the payment of the fines imposed under this Act, with all costs, has been enforced under the provisions hereinafter contained.

25. Any person impeding or refusing to allow the entry or inspection mentioned in section nine shall be liable to a fine not exceeding five hundred rupees for each offence, or to imprisonment for a term not exceeding three months, or to both.

Penalty for opposing entry on or inspection of ships.

26. Any Owner or Master wilfully failing to comply with the requirements of section fifteen, as to the copy of the certificate, shall, for every such failure, be liable to fine not exceeding two hundred rupees, or to imprisonment for any term not exceeding a month, or to both.

Penalty for not exhibiting copy of certificate.

27. Any Master failing to comply with any of the requirements of section nineteen as to the statement of passengers,

Penalty for non-compliance with requirements as to statement of passengers.

or wilfully making any false entry in any such statement,

or wilfully failing to obtain any such fresh certificate, or to make any such statement of additional passengers, as is mentioned in section twenty,

Penalty for failing to obtain fresh certificate for additional passengers taken.

shall be liable to a fine not exceeding five hundred rupees for every such offence, or to imprisonment for a term not exceeding three months, or to both.

28. Any Master who, after having obtained a certificate under section seven or section twenty, fraudulently does or suffers to be done anything whereby such certificate becomes inapplicable to the altered state of the ship, its passengers, or other matters to which such certificate relates, shall be liable to a fine not exceeding two thousand rupees, or to imprisonment not exceeding six months, or to both.

Penalty for fraudulent alteration in ship after certificate obtained.

29. Any Master wilfully, and without satisfactory excuse, omitting to supply to every passenger the allowance of food, fuel and water prescribed by rule made under this Act and for the time being in force shall be liable to a fine not exceeding twenty rupees for every passenger who has sustained detriment by such omission.

Penalty for failing to supply passengers with prescribed provisions.

30. The Master of any ship described in section twenty-two, who wilfully fails to touch at Aden, or leaves that Port without having obtained the bill of health therein mentioned, shall, for every such offence, be liable to a fine not exceeding two thousand rupees, or to imprisonment not exceeding six months, or to both.

Penalty for not obtaining bill of health.

31. If any ship has on board any number of passengers which, having regard to the time of the year and other circumstances, is greater than the number allowed by the certificate, the Owner and Master shall, for every passen-

Penalty for excess of number specified in certificate.

ger over and above the number allowed by the certificate, be each liable to a fine not exceeding twenty rupees, and the Master shall further be liable for each of such passengers to imprisonment not exceeding one week.

Penalty for landing passenger at a place other than that at which he has contracted to land.

32. If the Master land any passenger in any ship at any port or place other than the Port or place at which he may have contracted to land, unless with his previous consent, or unless such landing is made necessary by perils of the sea or other unavoidable accident, the Master shall, for every such offence, be liable to a penalty not exceeding two hundred rupees, or to imprisonment for any term not exceeding a month, or to both.

Procedure.

Adjudication of offences.

33. All offences against this Act shall be punishable in a summary manner by a Magistrate.

Fine leviable by distress on ship.

If the person on whom any fine is imposed under this Act is the Master or Owner of a ship, and the fine is not paid at the time and in the manner prescribed by the order of payment, the Magistrate may, in addition to the ordinary means prescribed by law for enforcing payment, direct by warrant the amount remaining unpaid to be levied by distress and sale of the said ship, her tackle, furniture and apparel.

Jurisdiction.

34. For the purpose of the adjudication of penalties under this Act, every offence against its provisions shall be deemed to have been committed within the limits of the jurisdiction of the Magistrate of the place where the offender is found.

By whom proceedings for penalties to be instituted.

35. The penalties to which Masters and Owners of ships are made liable by this Act, shall be enforced only by information laid at the instance of the officers appointed to grant certificates under this Act; or, at any Port or place where there is no such officer, by the Chief Officer of Customs.

Application of fines.

36. Any Magistrate imposing any fine under this Act may, if he thinks fit, direct the whole or any part thereof to be applied in compensating any person for any detriment which he may have sustained by the act or default in respect of which such fine is imposed, or in or towards payment of the expenses of the proceedings.

Depositions receivable when witnesses cannot be produced.

37. Whenever, in the course of any legal proceeding under this Act, the testimony of any witness is required in relation to the subject-matter of such proceeding, any deposition that he may have previously made in relation to the same subject-matter before any Justice or Magistrate in Her Majesty's dominions (including all parts of India other than those subject to the same Local Government as the Port or place where such proceedings are instituted), or any British Consular Officer elsewhere, shall be admissible in evidence on due proof that

such witness cannot be found within the jurisdiction of the Court in which such proceeding is instituted :

Provided that such deposition shall not be admissible unless—

(*a*) it is authenticated by the signature of the Justice, Magistrate, or Consular Officer ;

(*b*) it was made in the presence of the person accused, and

(*c*) the fact that it was so made is certified by the Justice, Magistrate, or Consular Officer.

It shall not be necessary in any case to prove the signature or official character of the person appearing to have signed any such deposition ; and in any criminal proceeding, such certificate as aforesaid shall, unless the contrary is proved, be sufficient evidence of the accused having been present in manner thereby certified.

CHAPTER VI.

MISCELLANEOUS.

Information to be sent to Ports of embarkation.

38. The Chief Officer of Customs, or the officer (if any) appointed under this Act, at any Port or place within British India at which any ship to which this Act applies touches or arrives, shall, with advertence to the provisions herein contained, send any particulars which he may deem important respecting the ship and the passengers conveyed therein, to the officer at the Port from which the ship commenced her voyage, and also to the officer at any other Port within British India where the passengers or any of them embarked.

Report of Consul.

39. In any proceeding for the adjudication of any penalty incurred under this Act, any document purporting to be a report of such particulars or a copy of the proceedings of any Court of Justice duly authenticated, and also any like document purporting to be made and signed by any person lawfully exercising Consular authority on behalf of Her Majesty in any foreign Port, shall be received in evidence, if the same appears to have been officially transmitted to any officer at or near the place where the proceeding under this Act is had.

Power to make rules as to number of passengers, provisions, &c.

40. The Local Government may from time to time, with the previous sanction of the Governor General in Council, make rules consistent with this Act, to regulate, in the case of any ship or class of ships to which this Act applies, all or any of the following matters :—

(*a*) the scale on which provisions, fuel and water are to be supplied to the passengers and the quality of such provisions ;

(*b*) the medical stores and other appliances for maintaining health and cleanliness to be provided on board ;

(*c*) the number of boats, anchors and cables to be provided on board ;

(*d*) the instruments for purposes of navigation to be supplied ;

(*e*) and, generally, to carry out the provisions of this Act.

All such rules shall be published in the local official Gazette, and shall thereupon have the force of law.

Appointment of officers.

41. The Local Government shall appoint such persons as it thinks fit to exercise and perform the powers and duties conferred and imposed by this Act.

Power to declare what shall be deemed 'long voyages' and 'seasons of fair weather'

42. The Local Government may, with the previous sanction of the Governor General in Council, from time to time declare, by notification in the official Gazette, what shall be deemed to be, for the purposes of this Act, a "long voyage," a "short voyage," "seasons of fair weather" and "seasons of foul weather."

Power to Governor General to prescribe space to be contained for passengers.

43. The Governor General in Council may from time to time direct, in the case of any ship or class of ships, and for all or any voyages to which this Act applies, the number of superficial or of cubic feet of space to be contained for the passengers; and such direction shall override the provisions of sections thirteen and seventeen so far as they apply to such ship or class of ships.

SCHEDULE.

(See section 4.)

Number and year.	Title.
XXV. of 1859	An Act to prevent the overcrowding of Vessels carrying Native Passengers in the Bay of Bengal.
XII. of 1870	An Act for the regulation of Native Passenger Ships, and of Steam Vessels intended to convey Passengers on coasting voyages.
XII. of 1872	An Act to amend Act XII. of 1870 (The Native Passengers Ships Act).
Madras Act II. of 1862	An Act to extend the provisions of Act XXV. of 1859, entitled An Act to prevent the overcrowding of Vessels carrying Native Passengers in the Bay of Bengal.

No. 81 OF 1875.

CHAMBER OF COMMERCE, BOMBAY, *19th April*, 1875.

To the CHIEF SECRETARY TO GOVERNMENT, Bombay.

SIR,—I am directed to acknowledge the receipt of your letter No. 401, dated 9th February last, enclosing a copy of the proposed Native Passenger Ships Bill, 1875, and requesting the opinion of the Chamber on its provisions.

The Chamber, having referred the proposed Bill to the consideration of a Special Committee, has now the honour to recommend the additions, alterations, and modifications in the several Sections adverted to below :—

CHAPTER II., Section 8, Para. 2.—The Chamber recommends that the words "three days" and "day" be struck out, and that the words "twenty-four hours" and "time" be substituted. The paragraph will then read thus :—"Such "notice shall be given not less than twenty-four hours be- "fore the proposed time of sailing." The Chamber considers that a notice of three days is unnecessarily long, and that a notice of twenty-four hours is sufficient, particularly for the short voyages.

CHAPTER II., Section 10.—The Chamber recommends that the words "at the expense of the master or owner" be omitted. It also recommends that to this Section the following proviso, transcribed from Section 4 of Bombay Act No. IV. of 1873, be added, viz.,—"But no steam vessel hold- "ing a certificate granted by the British Board of Trade, or by "any British Indian, or British Colonial Government, shall "be liable to be so surveyed as long as such certificate "remains in force and valid, unless such steam vessel, or the "machinery belonging to the same, shall, subsequently to the "issue of such certificate, have sustained injury or damage, "or been found unseaworthy or otherwise inefficient." The provisions of one Act, as for instance those of Bombay Act No. IV. of 1873, but omitted from another Act, such as the one now under consideration, although dealing with the same subject, afford, the Chamber regrets to say, no immunity from the arbitrary interference of the authorized officers of Government, who, as has frequently occurred, can insist upon the letter of each Act being strictly complied with, without reference to other Acts in force.

The Chamber also recommends that as many surveys are

very arbitrary and objectionable, the following paragraph be added to Section 10 :—" If the officer aforesaid shall cause " any vessel holding a certificate granted by the British " Board of Trade, or by any British Indian, or British Colo- " nial Government, during the period such certificate re- " mains in force and valid, to be surveyed, and if the sur- " veyors shall report that the vessel is seaworthy and fit for " her intended voyage, the expense of the survey shall be " paid by the Local Government : if, however, the surveyors " shall report that the vessel is unseaworthy or unfit for her " intended voyage the expense of the survey shall be paid by " the master or owner."

Section 10, with the modification and additions proposed, will then read thus :—

" The officer aforesaid may, if he think fit, cause the ship " to be surveyed by competent surveyors, who shall report " to him whether the ship is, in their opinion, seaworthy and " fit for her intended voyage. But no steam vessel holding " a certificate granted by the British Board of Trade, or by " any British Indian, or Britith Colonial Government, shall " be liable to be so surveyed as long as such certificate re- " mains in force and valid, unless such steam vessel, or the " machinery belonging to the same, shall, subsequently to the " issue of such certificate, have sustained injury or damage, " or been found unseaworthy or otherwise objectionable.

" If the officer aforesaid shall cause any vessel holding a " certificate granted by the British Board of Trade, or by " any British Indian, or British Colonial Government " during the period such certificate remains in force and valid, " to be surveyed, and if the surveyors shall report that the " vessel is seaworthy and fit for her intended voyage, the " expense of the survey shall be paid by the Local Govern- " ment : if, however, the surveyors shall report that the vessel " is unseaworthy or unfit for her intended voyage the ex- " pense of the survey shall be paid by the master or owner."

CHAPTER III., Section 13.—The Chamber finds that the Act nowhere makes allusion to deck passengers. Chapter III. of Act XII. of 1870 regulates the conveyance of deck passengers on coasting voyages, and, unless the omission is accidental, the Chamber is unable to understand why it is now proposed to abolish that Act without substituting in the proposed Act some other provision regulating the conveyance

of deck passengers. Section 13 of the proposed Act supposes that steamers engaged in short voyages are always provided with between-decks. This is a mistake. The last Trade Returns published show that there are ten steam vessels belonging to Bombay, of a total tonnage of 1,700 tons, engaged in short voyages, none of which have between-decks, so that either the Section would become inoperative or these steamers would be thrown out of employment. The Chamber recommends that every ship be allowed to carry upper-deck passengers at all seasons of the year, and that for an upper-deck passenger six superficial feet be allowed in seasons of fair weather and twelve superficial feet in seasons of foul weather. It also recommends that for the clearer definition of passengers in the between-decks the word "intermediate" be inserted between the two last words "every passenger" in the two printed paragraphs of the proposed Act.

With these additions, Section 13 of the proposed Act will read thus :—

"For seasons of fair weather, every ship performing a short voyage shall contain in the between-decks at least six superficial feet and thirty-six cubic feet of space for every intermediate passenger.

"For seasons of foul weather, every ship performing a short voyage shall contain in the between-decks at least twelve superficial feet and seventy-two cubic feet of space for every intermediate passenger.

"In all seasons, every ship performing a short voyage shall be allowed to carry upper-deck passengers. In seasons of fair weather, six superficial feet of space shall be allowed for every upper-deck passenger, and twelve superficial feet in seasons of foul weather."

The Chamber desires here earnestly to bring to the notice of Government the great necessity that exists for more control being exercised, in a systematic form, over the native craft, plying, with native passengers, between this port and the ports on the Western Coast of India, whether these carry more or less than 30 passengers. An average of over 3,00,000 tons of native shipping carrying passengers enters and leaves this port every year. Government, which so anxiously looks after the comfort and safety of the few passengers carried in a superior class of steam vessels, does not even keep a record of the many thousands

carried in craft that is not only unprovided with between-decks but has no decks at all. The majority of the passengers entering and leaving Bombay is carried in open Patimars loaded half-mast high with cotton, or other produce, on the top of which the passengers are again placed. Scarcely a squall occurs that steamers belonging to this port do not pick up the wrecked crew and passengers of a Pattimar that has sunk.

CHAPTER III. Section 14.—The Chamber recommends that the word "six" in the last line be struck out, and that the word "twelve" be substituted. The last clause of para. 1 of Section 14 will then read thus:—"It shall not be necessary to survey such ship for twelve months after the grant "of such certificate." In England, certificates are, in the discretion of the officers of Government, granted for 12 months; and the Chamber considers that the authorized officers in India should grant the certificates for 12 months on the same principle as that recognized at home.

CHAPTER IV., Sections 21 and 22.—So much of these Sections as compels every ship sailing from any port in the Red Sea to any port in British India to touch at Aden, appears to the Chamber to be an unnecessary and arbitrary regulation. It is unnecessary if all the other regulations of the Act are strictly complied with. It increases the expense of the voyage to the ship, and consequently to the passengers. And the Chamber does not see how its provisions can be enforced against ships sailing under a foreign Flag, which will thereby gain a preference over British ships. It, therefore, recommends that the words "and to do the "same thing on the homeward voyage" in the 13th and 14th lines of Section 21, and that the words "or sailing from any "port in the Red Sea to any port in British India," which form the 2nd para. of Section 22, be ommitted.

CHAPTER V.—The Chamber considers that the whole of the penalties enumerated in the various Sections of this Chapter are excessive. It has referred to the Imperial Passengers Acts, entitled the "Act to amend the Law "relating to the carriage of Passengers by Sea," dated 14th August 1855, 18 and 19 Vic., Cap. 119, and the "Act to "amend the Passengers Act., 1855," dated 13th July 1863, 26 and 27 Vic., Cap. 51, and it finds that in no similar cases is the penalty of imprisonment imposed. The fines or money

penalties too are, in their opinion, out of proportion to the offences, and it desires to bring to the notice of Government that in England, where the fines generally are lighter, it is only in very aggravated cases that even fines are enforced.

Section 30 of the proposed Act enacts that the master of any ship, who wilfully fails to touch at Aden, or leaves that port without having obtained the Bill of Health therein mentioned, shall, for every such offence, be liable to a fine not exceeding Rs. 2,000, or to imprisonment not exceeding six months, or to both. Whatever penalty may be finally settled with regard to ship's failing to touch at Aden on outward voyages from Indian Ports, the Chamber trusts that, for the reasons abovementioned, under Sections 21 and 22, all ships sailing from any port in the Red Sea to any port in India will be exempted from the operation of the proposed Act in respect to their being compelled to touch at Aden. Should the Council of the Governor-General be pleased to grant this exemption, it will be necessary to modify Section 30 accordingly.

CHAPTER VI., Sections 40, 41, and 42.—The Chamber recommends that the thirteen commencing words of Section 40, viz.,—"The Local Government may from time to time "with the previous sanction of" be omitted, and that the word "may" be inserted in the fourth line between the words "Council" and "make": that in Section 41, the words "Local Government" be struck out, and the words "Governor-General in Council" be substituted; and that in Section 42, the nine commencing words, viz.,—"The "Local Government may, with the previous sanction of" be omitted, and that the word "shall" be inserted after the word "Council" in the third line of this Section. One of the great disadvantages of the present Act is that the rules made by the three Presidencies are different, and that the same are differently construed, so that a coasting steamer from Bombay to Calcutta finds, as she moves along, that what was legal at one port is punishable at another, while the same clause is differently interpreted by the Custom House Officers at ports close to each other. For all India and Scinde, there should only be one certificate required. The Chamber considers that trade is hindered by having different regulations in different parts of the same country, and there is no reason why the same law and the same rules

should not be made applicable by the Imperial Government to all the three Presidencies, including Scinde. It would suggest, as the best way to attain this object, that each Local Government should send in particulars of what is required, such as the equipment considered necessary, what should be deemed to be for the purposes of the Act, a "long "voyage," a "short voyage," "seasons of fair weather" "season of foul weather," &c. These, after being collated, could be embodied in the Bill, a certain discretion being always allowed to the executive officers carrying out the Act. If these suggestions are adopted, Sections 40, 41, and 42 will require further modifications accordingly.

The Chamber has now offered its opinion upon the Sections in the proposed Bill which require addition, alteration, or modification; but it recommends that another Section be added to the Bill to the effect that in case of disputes arising between the shipowner and the authorized officer as to the interpretation of the Act, the authorized officer shall on the application of the shipowner appoint two independent surveyors, whose decision shall be final. The Chamber considers that a provision such as this is especially necessary in a country like India, where we have not, as at home, experienced men in almost every port whose services are available, such as the officers of the Board of Trade, Lloyd's surveyors, and others. In fact, the executive officer carrying out the Act, generally the Chief Custom House Officer, is almost invariably the same party who decides all questions as to space, equipment, the season when, and what number of, passengers are allowed to be carried, &c.; and it is very seldom that he is technically acquainted with nautical matters, or, in any difficulty, is well fitted to construe the Act properly.

The Chamber in conclusion observes that, on the 9th April 1875, the Merchant Shipping Bill was read the second time in the House of Commons, so that there is every probability of the Bill passing through both Houses and receiving the Royal Assent in the present session of Parliament. The Chamber has reason to believe that the Bill will contain many provisions in Marine Mercantile Law which could with great advantage be adopted in this county. British shipping in all ports in Her Majesty's dominions should, it submits, be regulated as far as practicable by one law, and

the penalties attaching to breaches thereof should be identical. It is productive of the greatest inconvenience that there should be one law on the western side of the Suez Canal regulating passenger shipping, and another law on the eastern side for the same purpose; and it is in every respect indefensible that a master of a ship should be liable in India to six months' imprisonment and fine for a breach of the Native Passenger Ships Act, when he may be only conversant with the English Passenger Act, breaches of which are punished with fines only. The Chamber, therefore, recommends that the further consideration of the proposed Native Passenger Ships Bill, 1875, by the Council of the Governor-General, be postponed until the Merchant Shipping Bill, now before Parliament, receives the Royal Assent, after which the Chamber would be glad to have an opportunity of again considering the proposed Bill, in its present or in any other form that the Council of the Governor-General may be pleased to bring it forward.—I have, &c.,

J. GORDON, Secretary.
J. A. FORBES, Chairman.

APPENDIX W.

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ILL-TREATMENT OF LASCARS ON BOARD SHIPS BOTH BRITISH AND FOREIGN.

No. 630 of 1875.

MARINE DEPARTMENT,

BOMBAY CASTLE, 1*st June*, 1875.

From the SECRETARY to GOVERNMENT to the SECRETARY, BOMBAY CHAMBER of COMMERCE.

SIR,—I am directed to forward the accompanying copy of a letter from the Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, No. 101, dated 18th May 1875, with its enclosures, and to request that Government may be favoured with any remarks and suggestions the Chamber of Commerce may desire to offer regarding the terms of engagement of Native seamen engaged in India for voyages on board ships both British and Foreign.—I have, &c.,

J. MACDONALD, Colonel,
Secretary to Government.

No. 101.

SIMLA, 18*th May*, 1875.

From A. O. HUME, Esq., C.B., Secretary to the Government of India, to the SECRETARY to the GOVERNMENT of BOMBAY.

SIR,—I am directed to forward herewith copy of a despatch from Her Majesty's Secretary of State for India No. 64 (Financial), dated the 11th February last, and of the several enclosures which accompanied it, relative to the ill-treatment experienced by the Indian Native crews of the ships *Emily Augusta*, *Jorawur*, and *Eurydice*.

2. The facts disclosed in these papers point to the necessity of a careful investigation into the terms under which such seamen are engaged in India for voyages on board ships both British and Foreign, and I am to request that, after such persons as may seem proper have been consulted, the Government of India may be favoured at an early date with the opinion of His Excellency the Governor in Council on the question, and with any suggestions

which may commend themselves to His Excellency, for securing greater protection to seamen of this class.—I have, &c.,

A. O. HUME, Secy. to the Govt. of India.

No. 64, dated London, 11th February, 1875.

From HER MAJESTY'S SECRETARY of STATE for INDIA to the GOVERNMENT of INDIA.

I forward herewith copy of a letter from Lieutenant-Colonel Hughes, the Honorary Secretary to the Strangers' Home for Asiatics, dated the 15th January 1875, with its enclosures in original, reporting the departure of the Indian Native crew of the ship *Emily Augusta* and the result of the trial of the Master of that vessel, who was convicted and sentenced to 15 years' penal servitude for the manslaughter of two of the crew on the voyage from Akyab to this country.

2. You will observe that the owners of the vessel have desired that a sum of 2*l.* may be paid to each of the 18 men on their arrival at Calcutta as compensation for short issue of provisions and for ill-treatment during their voyage on the *Emily Augusta*; also that 2*l.* 10*s.* may be paid to the families on account of each of the ten men who lost their lives during the voyage from alleged ill-treatment, together with the wages due to these men. For this purpose 120*l.* 11*s.* 3*d.* has been paid to this office, and I request that you will cause the money to be distributed in the manner desired.

3. The circumstances under which the crew of the *Emily Augusta* were shipped, and under which Native crews generally are shipped at Calcutta, as represented by Colonel Hughes, by the owners of the *Emily Augusta*, and by the Master of the vessel on his trial, appear to call for strict investigation, and I desire that you will cause such enquiry to be made into the matter as may appear to you to be necessary, and that you will report to me the result.

4. I also forward copy of correspondence, noted in the margin, relating to the arrival in this country in a destitute condition of the crews of the ships *Jorawur* and *Eurydice*, and for whose maintenance while here 196*l.* 4*s.* 5*d.* has been paid. In both these cases the crews left the ships at a foreign port in consequence of alleged ill-treatment, and the law under which the cost of relief of lascars in recoverable from the owners or masters of vessels became inoperative, and the cost of the main-

Letter from Mr. Garnock, dated 8th September 1874, with enclosure.
Letter to Lieutenant-Colonel Hughes, dated 11th September 1874.
Letter from Board of Trade, dated 19th September 1874, with enclosures.
Letter to Lieutenant-Colonel Hughes, dated 22nd September 1874.
Letters from Lieutenant-Colonel Hughes, dated 20th and 25th September 1874.
Report of Solicitor, dated 1st October 1874.
Letter from Lieutenant-Colonel Hughes, dated 7th October 1874, with enclosures.
Letter from Lieutenant-Colonel Hughes, dated 14th October 1874, with enclosures.
Report of Solicitor, dated 4th November 1874.
Letter from Board of Trade, dated 20th November 1874.

tenance of the men had therefore to be defrayed from Indian revenues.

5. The terms under which Indian Native seamen are engaged in India for voyages on board ship appear also to call for inquiry, both in regard to the interests of the men themselves and with the view to prevent, as far as practicable, the payment of large sums from Indian revenues for the relief of men arriving destitute in this country.

Dated London, 25th September, 1874.

From Lieut.-Col. R. M. HUGHES, Supdt. for transfer of Lascars and Hony. Secy., Strangers' Home for Asiatics, to the UNDER-SECRETARY of STATE for INDIA.

I have the honour to acknowledge the receipt of the Financial Secretary's letter (9301) of the 22nd instant, transmitting a letter from the Board of Trade (10605), dated 19th instant, with enclosures (in original) from Her Majesty's Consul at New York, forwarding proceedings of a Naval Court held on the 20th and 21st August to investigate certain charges of a short supply of proper provisions and of maltreatment of some of the crew of the ship *Jorawur* of London on her voyage from Calcutta to New York.

2. When addressing your Lordship on the 20th instant, I was not aware that a Naval Court had enquired into and sent in a decision on the complaints preferred by the lascar crew of the ship *Jorawur*. My report was simply an epitome of statements from the men in answer to enquiries I was instructed to make, and which appear to have been generally borne out by the evidence given before the Naval Court, and though in the decision the Court came to the alleged cause of the death of the lascar Kumroo and the refusal of the Master to supply medicines are unnoticed, which on further enquiry the men state were subjects brought before the Court.

3. I am requested to state whether in my opinion there has been any breach of the Acts of Parliament or in the Acts of the Legislative Council of India in regard to the treatment and discharge of these men, which may render the owner or Master of the *Jorawur* liable for the cost of their maintenance while in this country and of their return to Calcutta.

4. I have already in para. 14 of my report of the 20th instant given an opinion on this subject, being then unaware of the case having been submitted to and decided on by a Naval Court, which I am told has full authority to discharge and release any seaman, European or Native of India, from his engagements.

5. In this case it will be seen that the Naval Court decided,—"that the three men Bucktear Ibrahim, Nomej Bhodoo, and M. Cahil Feyzoo beaten on account of their complaints in regard to the rice, *be discharged and paid off, and that the requirements of the law as to providing them with suitable employment or subsistence and passage home be complied with by the Master*,"—which decision fully bears out the opinion I have already expressed that the Master or

owner of the *Jorawur* is not released by the discharge of these three men from his agreement to maintain and return them to India.

6. The discharge of the 36 men by Her Majesty's Consul at New York was a breach of the law, for there is not any Act of Parliament or of the Legislative Council of India that authorizes any public officer out of India to discharge and release a native seaman of India from an agreement entered into with the Master of a foreign vessel under the provisions of Act No. 1 of 1859, Legislative Council of India.

7. The requirements of the law were fully carried out both as regards the three men discharged by the Naval Court and the rest of the crew unauthorizedly by Her Majesty's Consul, for they were all sent to Liverpool in the s.s. *Egypt* at the cost of the owner of the *Jorawur*, who is still responsible for every man of this crew until their return to India, and for which, I presume, he has given the bond directed in Section 115 of Act No. 1 of 1859 for the due performance of the agreement and stipulations signed by the Master of the *Jorawur*.

8. I think it would be a desirable arrangement to accept the owner's offer to take this crew in his ship *Foyle*,—to refuse it would at once release him from all further responsibility; the men are perfectly willing to go, provided they are shipped on fresh articles of agreement, but at the same time are hoping, previously to leaving England for India, to obtain remuneration and redress for the ill-treatment they received when on board the *Jorawur*.

9. The crew beg me to point out that their present position was not from any fault or dereliction of duty on their part; they were at all times ready and willing to do their duty, but the constant and continual abuse and knocking about and deficient food compelled them to represent their sufferings on the first opportunity that presented itself at New York, and they most respectfully solicit that the harsh treatment they have undergone will be taken into consideration, and that under all the circumstances of the case, the wages they have earned may be given to them with remuneration for the deficiency of food contrary to the terms of their agreement.

10. In returning the accompanying correspondence and the proceedings of the Naval Court held at New York, I cannot avoid expressing astonishment at the evidence given by Captain Davis before that Naval Court, and consider it an imperative duty to request your Lordship to be good enough to bring the following extracts to the especial notice of the Most Noble the Marquis of Salisbury, for the acts thus confessed are serious infractions of the law, which, if permitted to pass unnoticed and unprohibited, might lead to the most disastrous results.

11. Captain Davis is reported to have given the following evidence before the Court:—

"I found that there were two ringleaders and touched them up with rope's end; I might have taken up a rope now and then, but nothing to hurt them much. They want it, and you must do it to keep them in hand."

Again—

"I was obliged to beat the men occasionally; it is the only way to keep these men from mutiny; it is the custom; and I consider it absolutely necessary for the proper discipline of the ship."

And again—

"As to the rope's ending and beating of the men, it is the regular course; since the men have been in port, the Serang has had occasion to whip some of them for breaches of duty."

And what is more remarkable is the following extract from the proceedings of this Naval Court:—

"One of the Members of the Court states that from his experience in India, it is customary and necessary to keep lascar crews in order and up to their duty by occasional chastisement, which is inflicted by the Serang."

12. This, I beg leave to observe, is a glaring infraction of the law; for in Section 83 of Act No. 1 of 1859, Legislative Council of India, the punishment for offences committed by seamen is clearly set forth, and there is not any authority whatever in any Act of Parliament for a Master or any one under him on boardship to inflict corporal punishment, or to strike or to abuse a seaman, whether European or Native of India; and if I may be permitted to state the experience of upwards of 50 years among the natives of India, I have no hesitation in affirming that corporal punishment of every description without trial is far more likely to cause mutiny than to check it,—to upset discipline than to enforce it; and I have seldom known a native of India once struck or flogged fit for any duty afterwards.

13. With regard to the complaints of the crew of the *Jorawur* of deficiency of food, there is a scale of provisions inserted in the articles of agreement. Did the crew receive or not the quantity set forth in the scale read to them previously to signing their contract with the Master? If not, they surely are entitled to remuneration as directed in the 66th Section, Act No. 1 of 1859.

14. In conclusion, I beg leave to report the arrival and admission into the Home of another lascar of the crew of the *Jorawur* on the 23rd instant, now 39 altogether.

Report of H. S. LAWFORD, Esq., *Solicitor, dated 1st October* 1874.

I have looked through the various Acts of Parliament relating to lascars, and am unable to find anything in them which throws the burthen of their maintenance during the time that they remain in this country, upon the Master or owner of the ship, unless indeed they are found in distress, want of food, clothing, or other necessaries, which in such case may, under the 34th Section of the 4th George, Cap. 80, be supplied by the Secretary of State in Council, and the cost thereof be recovered by him from the owners of the vessels bringing the lascars to this country.

The 22nd Section of the 18 and 19 Vic., Cap. 91, enacts, that if lascars are found destitute in the United Kingdom and are relieved

by the Guardians or Overseers of the Poor, the Secretary of State in Council shall pay to the latter all moneys expended in such relief and maintenance from the time he has received the notice therein mentioned. It is not, however, clear whether the amount so paid can be recovered by the Secretary of State in Council from the owner.

Unless, therefore, the men's case falls within the provisions of the Act of Geo. 4th, which I think it does not, as they cannot now be said to be found destitute and in want, their wages being now in the hands of the officers of the Board of Trade, the Master or owner would not, in my opinion, be liable for the cost of their maintenance.

Whether the men themselves can receive such costs from the Master depends upon the form of their articles of agreement, which are not before me. The Act No. 1 of 1859 of the Legislative Council of India prescribing the form of these articles is silent upon the point, and I therefore conclude that no provision has been made in them that the Master should bear the cost of maintenance.

Colonel Hughes in his annexed letter makes allusion to the bond which, by Section 115 of the Act No. 1 of 1859, is to be given in India by the Master as security for the due performance by him of the articles; but this section is not applicable to the present case, as the ship in question, although a "foreign-going ship," is not a "foreign ship," meaning, as I understand it, a vessel not having an English flag, in which case only is the Master to give the security.

Under all the circumstances, I think that it will be desirable that Mr. Nourse's proposal to send the men home should be accepted without delay.

LONDON, 8*th October*, 1874.

From Lieut.-Col. R. M. HUGHES, Supt. for transfer of Lascars and Hony. Secy., Strangers' Home for Asiatics, to Messrs. VAUGHAN and COMPANY, Liverpool.

From a correspondence with Her Majesty's Consul at Bremen, I have learnt that your firm are the owners of the ship *Eurydice*, Captain Edwards, now at Bremenhaven.

The lascar crew of the *Eurydice*, numbering 14 hands, have come over to England, and are now in this institution.

They complain of the Master of the *Eurydice* having broken his agreement made with them at Calcutta in taking them beyond the United Kingdom and wishing them to go on to America. They state that they agreed for a *twelve-months'* voyage to Bassein, United Kingdom, and back to India; that they have not received the quantity of provisions according to the scale in the articles of agreement; that not one drop of vinegar or lime-juice or oil for their bodies in bad weather was issued to them during the whole voyage; that no curry meat or proper quantity of salt-fish or biscuit was given them agreeably to the articles and as directed when beyond the tropics; and that on various occasions they have been struck and ill-treated by the Mate. It appears also that the

Master when at Bassein, finding warm clothing double the price and inferior in quality to that procurable at Calcutta, offered these 14 men Rs. 10 or £1 in lieu thereof, which they naturally accepted and to the cost of their health; for the Master has told the Consul they all suffer from their health, and were unfit for duty when he got into the cold climate.

They have arrived in England all suffering more or less from scurvy, debility, and rheumatism, which the medical men state has arisen from want of proper clothing and nourishing food. This the Medical Officer of Health has reported to the Board of Trade, and is a convincing proof that the several articles they complain of not having received according to their agreement were not issued as they ought to have been.

The whole of the correspondence and the complaints of these men with medical certificates have been forwarded (yesterday) to the India Office for the information of the Right Hon'ble the Secretary of State for India in Council, and I lose no time now that I have ascertained your address to acquaint you with the above particulars, and shall be happy to forward the India Office any remarks you may wish to offer on the subject.

Your decision regarding the discharge of the crew was perfectly correct. No lascar shipped for a foreign voyage can be discharged *out of India:* he must be returned to his own country by those who took him from it, who are responsible for him until his discharge in *India* by Act of Parliament.

I hope the crew will very shortly be in a fit state of health to return to India.

LIVERPOOL, *9th October*, 1874.

From Messrs. VAUGHAN & Co., Agents for Owners of ship *Eurydice*, to Lieut.-Col. R. M. HUGHES, Supt. for transfer of Lascars and Hony. Secy., Strangers' Home for Asiatics.

We are in receipt of your favour of yesterday, and in reply, beg to say we are not the owners of the ship *Eurydice*, but act as Agents in this country for the owners. We have written the Agents at Bremenhaven for full particulars with reference to the 14 lascars, and on receipt of their reply will communicate again with you, as we have not any information to guide us or thoroughly answer your letter at present.

BREMEN, *10th October*, 1874.

From W. WARD, Esq., Her Britannic Majesty's Consul, Bremen, to Lieut.-Col. R. M. HUGHES, Supt. for transfer of Lascars and Hony. Secy., Strangers' Home for Asiatics.

Your letter of the 7th instant reached me this morning, together with a copy of the "Laws relating to Asiatic seamen," &c., for which I beg you will accept my thanks.

The *Eurydice* having left Bremenhaven yesterday for New Orleans, it is out of my power to furnish you with a copy of the

entire agreement concluded at Calcutta with the lascars. I enclose, however, an *extract* from the agreement which refers to that part bearing more especially upon the nature and length of the voyage, as I made a copy of this while the ship was still here.

Hoping this may answer your purpose.

Extract from Articles of Agreement entered into at Calcutta in February 1874 *between* 14 *Lascars and the Master of the British Ship* "Eurydice," *of St. John's, New Brunswick, Official No.* 51058.

"The undermentioned seamen agree to proceed on a voyage from Calcutta to Bassein, from thence to any port or ports in the Indian, Pacific, or Atlantic Ocean, or to any port or ports in the United Kingdom, Continent of Europe, or America, and back to a final port of discharge in India. Period not to exceed twelve months."

(True Copy.)

Witness my hand and seal at Bremen in Germany this 10th day of October 1874.

BRITISH CONSULATE, BREMEN.

WILLIAM WARD,
H. B. M.'s Consul for Bremen, Bremenhaven, &c.

LIVERPOOL, 12*th October*, 1874.

From Messrs. S. VAUGHAN & Co., Agents for owners of Ship *Eurydice*, to Lieut.-Col. R. M. HUGHES, Supt. for transfer of Lascars and Hony. Secy., Strangers' Home for Asiatics.

Referring to ours of 9th instant, we beg to say that we have to-day heard from Bremenhaven *re Eurydice*, and are informed that the British Consul has certified on the back of the ship's articles that the *lascars* deserted the vessel there, and purposes sending the documents to the Registrar General of Seamen, Adelaide Place, E.C., your city, where you can inspect them if you wish to do so this week. The ship had gone to sea before our despatch requesting the Captain to give us full particulars had reached him. As the men appear to have deserted the ship without the Captain's knowledge or consent, we cannot recognise any further claim on the ship by the men.

Report of Solicitor, dated 4th November, 1874.

I have perused these papers, and am of opinion that neither the owners nor the Master of the *Eurydice* are liable under any Acts of Parliament in respect of the lascars formerly part of the crew of the *Eurydice*.

It appears from the correspondence that these men were never

discharged, either by the Master or owners, but deserted the ship at a foreign Port, and came to this country by means of funds furnished by the owners to enable them to provide clothes, &c., at Bremenhaven.

With respect to the observation in Colonel Hughes' letter of the 14th October that the extract from the agreement as to the voyage was not explained to the men, I am of opinion that the period stated, not to exceed 12 months, is not *necessarily* inconsistent with a voyage to some of the ports therein specified. The proper construction of the language used being that they were to proceed to any of the ports, provided the voyage did not exceed 12 months.

It is probable that there may have been breaches of the agreement on the part of the Master, but it is impossible to give any opinion as to this from the papers now before me.

H. S. LAWFORD.

No. 14368-M.

WHITEHALL GARDENS, 20*th November*, 1874.

From T. GRAY, Esq., Secretary to the Board of Trade, to the UNDER-SECRETARY of STATE for INDIA.

I am directed by the Board of Trade to acknowledge the receipt of your letter of the 22nd ultimo, transmitting, by direction of the Marquis of Salisbury, copy of two letters from Lieutenant Colonel Hughes, with their enclosures, respecting certain lascars who formed a portion of the crew of the ship *Eurydice* and who have been received into the Strangers' Home for Asiatics after a voyage from Bremenhaven, several of them suffering from symptoms of scurvy.

In reply, the Board desire me to state, for the information of his Lordship, that they are unable to see in what way they can assist in the matter, especially bearing in mind that the laws relating to lascars are administered by the India Office.

LONDON, 15*th January*, 1875.

From LIEUT.-COL. R. M. HUGHES, Honorary Secy., Strangers' Home for Asiatics, to the UNDER-SECY. of STATE for India.

I had the honour on the 23rd and 25th September last to report, for the information of the Right Hon'ble the Secretary of State for India in Council, the admission of the lascar crew of the *Emily Augusta* into this Institution in a most deplorable condition, from deficiency of food and alleged ill-treatment, and the apprehension of Horatio Walters, the Master of that vessel, and his Chief Mate, Robert Smidt, on charges for having assaulted and caused the death of several of the crew during the voyage of the *Emily Augusta* from Akyab to London.

2. There being no conclusive evidence against the Chief Mate at the preliminary investigation at the Thames Police Court, he was released and gave evidence on the trial of Horatio Walters,

which took place at the Central Criminal Court on the 25th, 26th, and 27th of November last, the prisoner being found guilty of manslaughter in the case of Fugeer Alli and Shaik Abdoola; the jury appending a recommendation to mercy to their verdict in the latter case, the Judge on passing a sentence of fifteen years' penal servitude remarked:—"I tell you frankly that, had it not been for the recommendation of the jury, I should have found it to be my bounden duty to to pass upon you the extremest sentence of the law."

3. The Directors of this Institution beg you will do them the favour of expressing to the Right Hon'ble the Secretary of State for India in Council their thankfulness for the able manner in which the preliminary investigation and the trial were conducted by the Law Officers of the Crown, and for the payment of all expenses incurred.

4. The cost of the maintenance of the lascar crew and of the two European boys, with the extras required for the sick and wounded, together with the wages of the lascars from the 19th September to 28th November during their detention as witnesses on the trial, and for two European boys, have all been paid by the Treasury.

£139-16-11

£88-17-1

£9-6-8

5. The deplorable condition of several of the crew on admission into the Home from deficiency of food, scurvy and wounds from ill-treatment, rendered some of the cases on their first arrival to be considered hopeless: but the Directors of this Institution are thankful to be able to report that, with the exception of Fugeer Alli, who died a fortnight after admission, all the survivors, from the care and attention paid to their wants under medical advice, have been mercifully restored to health and strength, so as to be fit and enabled to accept employment as the deck crew of the s.s. *Rajpootana*, Captain Templeton, bound for Calcutta; to which vessel, after having been paid all arrears of wages due from the *Emily Augusta* up to the 13th January 1875, they have been transferred in accordance with the terms of their original agreement, with the exception of one man, the Captain's cook, who left the Home of his own accord on the 14th December last.

Peter Brown.

6. I have also to report that the owners of the *Emily Augusta*, James Brown and Co., of Liverpool, have agreed to give to the eighteen lascars shipped on board the *Rajpootana* on their arrival at Calcutta a gratuity of (£2) two pounds each as compensation for deficiency of food and the ill-treatment they met with on board the *Emily Augusta*, which they most deeply lament: and further are desirous that a gratuity of £2-10-0 or twenty-five rupees, in addition to the arrears of wages which they have paid into the Mercantile Marine Office at Poplar, should be given to each of the families of the ten men who lost their lives from the alleged ill-treatment of Horatio Walters whilst serving on board the *Emily Augusta* on the voyage from Akyab to London.

7. For this purpose I beg leave to enclose a cheque for (£61) sixty-one pounds sterling received, together with an important

letter on the subject from Messrs. James Brown and Co., with a request that the Right Hon'ble the Secretary of State for India in Council will do them the favour to have the amount distributed in India and paid personally to the individuals entitled to it. Each of the eighteen men who have been shipped in the *Rajpootana*, Captain Templeton, have been given a *Deposit Card* of this Institution to produce as a voucher of identify, and a memorandum of the wages due to the deceased men and paid into the Mercantile Marine Office at Poplar, with all the information that can be obtained from the crew, are herewith enclosed.

Enclosures 5.
Card and nominal roll.
See enclosure 2, p. 3.

8. In transmitting the foregoing report relative to the lascar crew of the *Emily Augusta* whilst in England, the Directors of the Strangers' Home for Asiatics will thank you to submit the following further circumstances relative to this crew for the information of the Right Hon'ble the Secretary of State for India in Council, with the hope that it may lead to measures being adopted to prevent in future abuses and evils which evidently exist in the shipment of lascar crews.

9. An authentic copy of the articles of agreement entered into by the Master and lascar crew of the *Emily Augusta*, with a carefully drawn up analysis are herewith enclosed, from which it will be seen that 33 men signed the articles at Calcutta, each men receiving at the Shipping Office an advance of one month's wages *on entry* in cash. Of the 33 men whose names appear on the articles, 7 did not join, and 4 deserted at Akyab, 11 altogether, or one-third of the crew, who not only received a month's wages in advance in cash on signing the articles, but after leaving the Shipping Office had an advance note for another month's pay given to them, thus evading the law, as only one month's pay in advance is authorised by Section XXXVI., Act No. 1 of 1859.

Enclosure 1.
Enclosure 2.

Enclosure 3.

10. It appears, however, that four men joined the crew before leaving Calcutta as substitutes, but whose names *do not appear anywhere* in the articles, and were known on board by the names of four of the men who did not join; three, however, never joined; consequently the two months' advance of wages paid to these three men was a loss to the ship: and the Master had to give one month's advance of wages to each of the three substitutes who were engaged at Akyab in their place, and whose names are regularly entered in the articles.

11. On reaching Akyab four more of the men who had signed articles and joined at Calcutta, after receiving one month's wages in cash, and another in advance notes, deserted, and the ship sailed with a crew of 29 men, nine of whom died on the voyage and one in London, leaving 19 survivors, of whom only eight were fit for any duty on arrival in London.

12. Having obtained an authentic copy of the account for the shipment of this crew at Calcutta rendered by, and paid to, the licensed shipping broker, Gopaul Chunder Ghose, it will be seen that a charge is made of 5 per cent. on Rs 1,150, the amount for *two* months' advance for 30 men, viz., one month's advance in cash, and the other must have been in notes, for there is a charge of Rs. 5-10 for stamps for the notes; and another for shipping 30 men when actually only 27 were provided, and of these 27 the names of four had not been entered on the articles.

Enclosure 4.

13. The advance of two months' wages being an unauthorized transaction, and the crew incomplete on leaving Calcutta to the inconvenience and loss of the Master of the vessel, it was no wonder that he bitterly complained to the Court on his trial of the manner in which he had been imposed on, stating :—"I had shipped several myself, but the men were brought on board at 4 A.M. in the morning, and the steamboat left her moorings at 6 A.M., when I found I had not the men that I had shipped, but a parcel, a substance of them;" in fact, seven of the men who had been shipped at Calcutta were absent and four more deserted on reaching Akyab.

14. Under such circumstances the question naturally arises, was the Government broker entitled to charge a percentage for the advance unauthorizedly made *out* of the Shipping Office and for more men than he had shipped? For complaints on this subject are continually heard in this country, and of the inefficient lascars provided by the Government broker as substitutes for the men who do not join after signing articles.

15. Lastly, from the description of the voyages on the articles, it appears that the crew agreed to go to any part of the world, whereas they only understood thair agreement to be from India to the United Kingdom and back to India.

16. In conclusion, the Directors of this Institution beg leave to refer to the complaints of ill treatment of being knocked about and flogged without trial and of deficiency of food preferred by the lascar crews of the *Jorawur*, the *Eurydice* (reported in September and October last), as well as to the lamentable occurrences on board the *Emily Augusta*. They would most respectfully venture to submit, for the consideration of the Right Hon'ble the Secretary of State for India in Council, whether, in the case of so helpless a class of men as lascar natives of India are, some restriction should not be placed on the administration of corporal punishment, if indeed it could not be dispensed with altogether, for they feel convinced that the sooner this degrading punishment is put a stop to and substituted with kind treatment and decision, the greater will be the efficiency of a class of men who, if properly managed, well fed and clothed out of the Tropics, will be found equal to any sailors for obedience and willingness in the performance of their duties as far as their physical strength admits, and earnestly do the Directors trust that this appeal in behalf of an industrious class of Her Majesty's subjects may not be altogether made in vain.

LIVERPOOL, 21*st January*, 1875.

From Messrs. JAMES BROWNE & Co., Owners of the ship *Emily Augusta*, to LIEUT.-COL. R. M. HUGHES, Honorary Secretary, Strangers' Home for Asiatics, London.

We are to-day in receipt of your esteemed favour of the 20th instant enclosing a copy of your report of the proceedings in relation to the lascar crew of the ship *Emily Augusta*, addressed to the Under Secretary of State for India. We have read the report and now return it herewith, together with our cheque on the Liverpool Union Bank for £61, say sixty-one pounds. This amount to be handed over to the India Office to be distributed to the 18 men landed from the above-named vessel and to the relatives of the deceased men that formed part of her crew.

It was not until we received your letter of yesterday that we understood that the amount of compensation was definitely arranged. We trust that the representations you have made to the Council for India will have the desired effect of removing the abuses in the mode of shipping lascar owners. Without going into the matter of the treatment the crew received on the voyage home from India from Captain Walters, we consider the owners of this vessel have suffered most materially from the class of men that were put on board of her in place of those that were shipped at the Shipping Office and who had been picked out as Captain Walters reported by himself. Much of the trouble that arose on board the ship was caused by the absence of Quartermasters. Only one Quartermaster sailed in the vessel, although four were arranged for as reported by the Captain, and the advances (two months' pay) were paid for them in Calcutta. Please acknowledge the receipt of the enclosed cheque.

No. 200 OF 1875.

BOMBAY CHAMBER OF COMMERCE, 23*rd September*, 1875.

The SECRETARY to GOVERNMENT, Marine Department.

SIR,—I am directed to acknowledge the receipt of your letter No. 630, dated 1st June last, with its enclosures.

The Committee of the Chamber having perused, with care, all the documents which accompanied your letter are, from their knowledge of lascars, disposed to believe that the complaints of ill-treatment and insufficiency of food by the crew of the "Eurydice" and "Jorawur" are very much exaggerated. There can be no doubt about the case of the "Emily Augusta" being a very bad one, but the existing law seems to have been sufficient to reach the offending party.

The Committee consider that the present form of agreement for British ships is sufficient for the protection of native seamen, and that the scale of food allowed is ample,

indeed in excess of what is required. Isolated cases of ill-treatment, like the "Emily Augusta's," will occur, no matter in what form, or how worded, an agreement is made; and the case of the "Emily Augusta" has frequently been equalled by the brutality shown on board of American vessels. In fact, if any change is required, it is for the protection of the shipowners against the lascars. As an example of their peculiar habits, the Committee would mention that were the crews of a line, such as the British India Steam Navigation Co., mustered, not much more than half of the men present would be those who had signed articles. They arrange among themselves to go home when they choose, to attend marriages, &c., and the Syrang provides equally good men to fill their places, so that the Company is put to no inconvenience But the native seamen on the steamers of the B. I. S. N. Company are chiefly Hindocs from Surat, Gogo, Diu, Dumaun, and Rutnagherry, who as a rule are good seamen and boatmen, and amenable to discipline.

The Committee, however, are of opinion that native seamen should not be allowed to ship in vessels sailing under foreign colours. No bond would be any punishment to the offending party, in a similar case to the "Emily Augusta's," and such occurrences are more likely to take place in a foreign than in an English ship.

The Committee also consider it to be questionable if Lascars should be allowed to ship on board of any sailing vessels whose voyages take them into very cold and wet climates. The quality and physical strength of native seamen differ very much in the various parts of India. While the Lascar from Gogo (few in number) is little inferior either as a seaman, or an intelligent man, to his European brother, those from Madras and all Bengal are, with very few exceptions, nearly worthless on boardship, and in stormy, cold, and wet, weather, quite helpless, and more of an encumbrance than an assistance. All Lascars form very fair crews for steamers, and the superior class of them, when properly treated and looked after, are better in these vessels than Europeans; but the Committee very much question if any vessels solely depending on sails for their motive power, and manned with Lascars only, are safe when they encounter even moderately bad weather in high North or South Latitude. Lascars are very improvident, and even in high Latitude it is difficult, if

not impossible, to prevent them selling their clothes, and they consequently fall sick and become unfit for duty.

The Committee would be inclined to limit the voyages in sailing vessels for Lascars to the Indian Ocean; Red Sea; Persian Gulf; Bay of Bengal; Straits of Malacca; and the China Sea, as far north as Honkong.

A great deal either for good or evil to Lascars rest with the Shipping Master at the various Indian Ports: they look up to him as the law. The system in Bombay is as near perfect as can be. The Deputy Shipping Master takes a great interest in the men and personally knows nearly all the leading ones. The licensed shipping brokers are above the average respectability of this class of men. On the contrary, from what the Committee learn of Calcutta, the licensed shipping brokers there are most corrupt, often making up the crew they agree to supply, with men who have never been to sea.—I have, &c.,

J. GORDON, Secretary.

No. 1320 OF 1875.

MARINE DEPARTMENT,

BOMBAY CASTLE, 29th *October*, 1875.

From the SECRETARY to GOVERNMENT to the SECRETARY BOMBAY CHAMBER of COMMERCE.

SIR,—With reference to your letter dated 23rd September 1875, I am directed to aquaint you that a copy of the same has been forwarded to the Government of India with intimation that this Government see no reason for altering the existing law regarding the engagement of native seamen in India for voyages on Board British and foreign ships.—I have, &c.,

J. MACDONALD, Colonel,
Secretary to Government.

APPENDIX X.

———:o:———

LIGHTHOUSES AT CAPE COMORIN AND MUTTUM.

No. 1008.

MARINE DEPARTMENT,

BOMBAY CASTLE, 28*th August*, 1875.

From the SECRETARY to GOVERNMENT to the SECRETARY CHAMBER of COMMERCE.

SIR,—I am directed to request that the Government may be furnished with an expression of the opinion of the Chamber of Commerce, on the points mentioned in the letter from the Government of India, No. $\frac{1}{223}$, dated 11th instant, and its accompaniment, copies of which are enclosed.—I have, &c.,

J. MACDONALD, Colonel
Secretary to Government.

No. $\frac{1}{223}$.

SIMLA, 11*th August*, 1875.

From A. O. HUME, Esq., C.B., Secretary to the Government of India, to the SECRETARY to the GOVERNMENT of BOMBAY.

SIR,—I am directed to forward copy of a note drawn up in this office embodying the opinions of several authorities as to the necessity of providing lighthouses at Cape Comorin and Muttum, and to request that the Government of India may be favoured with an expression of the opinion of His Excellency the Governor in Council on the following points, viz. :—

(1).—Are two first class lights really necessary for the southern extremity of the Peninsula ? or

(2).—Would one first class and one third or fourth class light suffice ? or

(3).—Would a single first class light suffice ?

(4).—The exact locality or localities where the light or lights should be placed ; and

(5).—The height of the light or lights above mean sea level,

necessary to secure fully the objects which should be attained.

2. I am to beg that the reasons for the answers given in each case may be fully stated.—I have, &c.,

A. O. HUME,
Secretary to the Government of India.

Mr. Robertson, who was appointed by the Secretary of State to report on the harbours of India, recommended in 1871 in connection with the approaches to Paumben from the south, that two lighthouses should be erected, viz., one at the Crocodile Rock, 17 miles to the west of Cape Comorin, and 2¾ miles from the shore at Muttum or Cudiapatam Point; and another on the north side of Paumben on Point Calimere. His recommendation was couched in the following terms :—"In connection with the approaches to Paumben from the south, it may not be out of place to draw attention to the great necessity there is for a light at the Crocodile Rock. * * * This rock is much dreaded by the captains of steamers trading round the south of India and Ceylon, and by native craft making for Paumben. It would not be easy to put a light on the rock itself, as it is barely a-wash at low water, and is much exposed; but there are too small islands between it and the shore, on either of which a light could be placed. The shore is also high at this point, and well suited for a lighthouse.

"On the north side of Paumben, I would strongly advise that a light should be put on Point Calimere, where there is at present only a pillar. Vessels using the Pass are liable to get embayed and into danger at Point Calimere. When the wind permits, they have to leave Paumben at night, so as to make the Point by day. In our little steamer drawing only five feet, we experienced the want of a light at this place."

In April 1871, the Master Attendant at Madras reported that he had conversation with the Maharajah of Travancore and His Highness's Dewan regarding the proposed light at Cape Comorin, and they both held that instead of only one light on the southernmost point of the Continent of India, two lights were required, viz., one first class light on Cape Comorin, and a fourth class light on Point Cudiapatam, the expense of the latter being borne by the Travancore Government. The Master Attendant thereupon strongly recommended, after further consultation with the commanders of coasting steamers and sea-going ships, that a first class fixed light should be provided for Cape Comorin, and the fourth class revolving light, now lying at Tuticorin, be set up on the point at Cudiapatam; and that as the rocky cliffs at this point rose from 80 to 90 feet above the sea level, the light should be set up on a short column of, say, 30 feet in height, and at a moderate cost, any quantity of stone required being available on the spot.

On the 31st May 1871, the Secretary of State forwarded to the Madras Government a letter from Captain A. D. Taylor (late of the Indian Navy, and now holding the appointment of Superintendent

of Marine Surveys), in which he explained that it was true that Cape Comorin was the most southern point of India; but Cudiapatam Point, which bears from it a very little to the northward of west, and is distant only 14 miles, was in reality the most prominent point of that coast, off which at 3 miles distance lies the dangerous "Crocodile Rock," that to guard against this danger, the first class light should be erected on one of the two islets contiguous to the rocks, viz., Adundah and Kotah, the former at one-and-a-half miles to the north-east, and the latter about 2 miles to the north, north-west, and that of the two he preferred the Kotah Islet as better for shipping running down the Malabar Coast.

Captain Taylor's letter having been referred to the Master Attendant for report, that officer urged the following reasons in support of his proposition for erecting two lights on the mainland:—

1*st*.—That a good light on Cudiapatam Point, raised to the height of 120* feet, would be a guide to vessels to clear all the small islands, and the Crocodile Rock which was only 2½ miles distant from the Point, and would also be a boon to all vessels visiting Colachul, which had become an outlet for the coffee produced in the southern parts of Travancore.

* On rocky cliffs from 80 to 90 feet in height.

2*nd*.—That the Island of Kotah would be a good position for a light, but not better than that of Point Cudiapatam, and as the cost of a lighthouse constructed on that islet would be six times that of one on Point Cudiapatam, there is no reason why this unnecessary outlay should be expended.

3*rd*.—That for at least three months in the year, during the South-west Monsoon, there could be no communication between the Island of Kotah and the mainland, and it was, by no means, advisable that a party of 6 or 8 men should be left out of the reach of human aid for that period.

After a careful consideration of these opinions, the Madras Government came to the conclusion that the most important object to be attained was the protection of ships from the dangerous sunken rock known as "the Crocodile" situated on the Travancore Coast about 16 miles due west of Cape Comorin, and that the necessity for a third or fourth class light on Cape Comorin was also established.

That Government accordingly proposed, with a view to give precedence to the wants of the Western Coast, to place a first class light either on the rocky Islet of Kotah, close to the Crocodile Reef, or on the mainland at Cudiapatam, 2½ miles distant from the Crocodile. They also proposed to place a third class red light on the extreme south-east point of Cape Comorin. The necessary plans and estimates were accordingly called for from the Public Works Department.

On receipt of these orders, the Master Attendant at Madras, Mr. Dalrymple, urged a re-consideration of the classification of these two lights, and recommended that a first class light should be placed on Cape Comorin, and a third or fourth class light be erected to guard against dangers of the Crocodile, he being supported

in his views by the captains of steamers engaged in the coasting trade. This recommendation was forwarded to the Secretary of State in order that Captain Taylor's opinion might be obtained as to the class of lights to be placed at the two points described, and that the matter might be referred to any other persons in England, who might be deemed competent to pronounce authoritatively upon it.

In compliance with this request, the Secretary of State forwarded opinions from Captain Taylor, Mr. Franklin, late Superintendent of Marine at Madras, Captain Selby, formerly of the Indian Navy, Rear-Admiral Bedford, and the Trinity Board.

Captain Taylor's advice was that a first class light should be put up near the Crocodile even if there were no funds left for a light on Comorin; that when the Paumben or other channel was half finished, a good fixed light might be put also on the tip of the Cape; and that, in consideration of the inaccessibility of Kotâh Islet, a good revolving light might be put on Cudiapatam Point.

Mr. Franklin thought that a first class light should be placed on Cape Comorin, and one of the fourth class (red light) on Cudiapatam Point.

Captain Selby endorsed the views of Captain Taylor.

Rear-Admiral Bedford did not give any decisive opinion on the point, but referred it to the Trinity Board, who were of opinion that a first order bright fixed light should be placed on the Isle of Kotah at an elevation of, say, 200 feet, that this light should be supplemented by an auxiliary red light, to be shown from a window in the base of the tower, visible, say, 5 miles, and extending over an arc from three cables outside the Crocodile Rock to one cable to the north-east of Adundah Island, and that if this proposal were carried out, a fourth order bright revolving light on Cape Comorin would be sufficient for vessels trading to the Gulf of Manaar.

The Secretary of State, in forwarding the above opinions, desired that while the question more immediately under notice, viz., the lighting of the southern extremity of India, was duly considered, the advantage incidentally mentioned by several of the above-named authorities of placing a lighthouse on the Island of Minicoy might not be overlooked.

In the meantime, the Superintending Engineer, 8th Division, Madras, submitted, with reference to the requisition for plans and estimates, the following points for the consideration of the Madras Government:—

I.—That if the Paumben Channel was ever made a ship canal, a first class light at Comorin would be essential. Even if the Government did not at the present time sanction a light of this description for Comorin, the lighthouse should at least be built of a height suitable for such a light being fixed thereon eventually. The height of the lighthouse should be 100 feet above the level of the sea, a height which would give an angle of illumination of 230°. The cost of the structure would be about Rs. 11,750.

II.—That as regards the light for the Crocodile, the construction of a lighthouse on the Kotah Islet was out of the question. The place was not only inaccessible, but the cost of the work would far exceed that of a lighthouse on the mainland. If the expense, however, be of no consideration, a lighthouse might be built on the Adundah Rock, which was not only nearer to the Crocodile, but also to the mainland. But as Adundah, like Kotah, was not easily accessible from the mainland, and as there was want of space for the accommodation of the lighthouse establishment, the preferable plan would be to erect a fourth class light on Cudiapatam at a cost of Rs. 10,000, and to fix a beacon on Adundah, 20 feet high, at Rs. 1,000.

The Madras Government however adhered to its former decision of 13th September 1871, as to the class of light to be exhibited at Cape Comorin, and the neighbourood of Crocodile Rock respectively, slightly modified by the conclusions of the Trinity Board, namely, that a fourth order bright revolving light should be shown at Cape Comorin at an elevation of not less than 150 feet above sea level, and a first order bright fixed light near Crocodile Rock at an elevation of 209 feet supplemented by an auxiliary red light in a window at the base of the tower.

On a subsequent representation* from Mr. Dalrymple (the Master Attendant), the Government of Madras decided that a first class revolving dioptric light should be set up at Cape Comorin and a first class bright white fixed dioptric light on Point Cudiapatam.

* No. 6507, dated 20th November 1872.

In August 1873 the Government of Madras forwarded to the Marine Department, for transmission to the Secretary of State, an indent for three lanterns,* complete with illuminating apparatus and spare stores required for the lighthouses at Cape Comorin and Muttum Point, the erection of which was sanctioned by the Government of India in the Public Works Department.

	£	s.
* I.—A first class revolving white light for Cape Comorin	1,697	10
II.—A first class fixed white light for Muttum	1,260	10
III.—A fourth class red fixed light for Muttum	293	15
TOTAL.....	3,251	15

With dockets No. 1913, dated the 16th July 1874, and No. 191, dated 23rd January 1875, the Madras Government forwarded two letters* from its Acting Master Attendant, Captain J. H. Taylor, pointing out the inadvisability of having two first class lights at a distance of 15 miles from one another, and arguing that one large light on Muttum Point only would suffice, and that supplemented by a small light on Comorin, it would meet the utmost demand of the most cautious navigation. That the small light which had become available at Tuticorin by the completion of the new lighthouse there, and which was being temporarily placed on Muttum

* No. 3699, dated 19th June 1874.

Point, would do well enough for Comorin, when the first class light at Muttum was erected; that the first class light already ordered for Comorin might be retained for erection either on Minicoy or the Dolphin's Nose, both being very much in want of lights; and that in the case of Muttum a light as high, or say a little higher than Madras, would be all that could be reasonably expected, 130 feet from the sea level. Of this height 75 was gained by the site, 11½ feet by the focal height above the building, and a substantial brick-tower of 44 feet would complete the erection, and find ample accommodation for the establishment and stores.

No. 209 OF 1875.

CHAMBER OF COMMERCE,

BOMBAY, *2nd October*, 1875.

The SECRETARY to GOVERNMENT, Marine Department, Bombay.

SIR,—With reference to your letter No. 1008, dated 28th August last, and the documents from the Government of India which accompanied it, regarding the construction of Lighthouses at Cape Comorin and Muttum, I am directed by the Committee of the Chamber to forward to you copies of a Report on the subject by the Agents of the British India Steam Navigation Company, and of another by the Superintendent of the Peninsular and Oriental Company, at this Port, to whom the communication of the Government of India was referred, and to inform you that the Committee entirely concur in the opinions therein expressed.

The Report of the Superintendent of the Peninsular and Oriental Company is, it will be observed, a copy of a Report on the same subject, which he had already made to the Government of India direct.

The Government of India having, by their letter dated (Commerce and Trade) Simla, 11th August 1875, No. $\frac{1}{225}$, also requested the opinion of the Chamber on the same subject, I am desired to request that you will be so good as to favour the Committee by forwarding a copy of this letter, with its enclosures, to the Government of India.—I have, &c.

J. GORDON, Secretary.

BRITISH INDIA STEAM NAVIGATION COMPANY, LIMITED.

BOMBAY, *11th September*, 1875.

J. GORDON, Esq., Secretary, Chamber of Commerce, Bombay.

DEAR SIR,—With reference to your letter of 6th instant regard-

ing the lights we think necessary at Cape Comorin and Muttum, we have consulted several of the commanders who are well acquainted with the locality. They are unanimous in opinion, that if a lighthouse, either from the expense or any other cause, cannot be erected on the Crocodile Rock itself, a first class light is necessary at Muttum, so as to show at least 20 miles, and that a smaller bright light, revolving if possible, should be erected on Cape Comorin.

Muttum is really the landfall of the south of India, but in dark nights and hazy weather Cape Comorin is not easily seen, and a light would be very useful in rounding it either in coming or going to Tuticorin or the Paumben Pass.

A small harbour light of the sixth order would also be useful at Colochel.

We can give no opinion as to the height at which the light should be placed, as we have no correct information on the subject. The light at Muttum should be sufficiently high to be seen clearly from a ship's deck 20 miles off, and the light at Cape Comorin to be seen from a ship's deck 16 miles off.

The Government at Madras were undoubtedly correct in the decision they came to in 1871, and it is much to be regretted that instead of giving immediate effect to it, they should have allowed themselves to be involved in references and correspondence, resulting in a loss of four years.

We would take this opportunity of calling attention to the want of system in which the Malabar Coast is lighted and to the imperfect character of some of the lights, particularly Cannanore and Calicut. The former is scarcely to be distinguished from some of the shore lights, and is frequently out long before daylight. Calicut is an old worn-out lamp, and does not give nearly so good a light as a good large table kerosine lamp, which we have actually tested.

A good light ought certainly to be erected on Minicoy. During the S. W. Monsoon, for days together no observation can be had, soundings near it are no guide to a ship, and the currents are very strong and irregular, and frequently run at the rate of three or four knots an hour.

We return herewith all the documents you forwarded to us.—We are, &c.,

W. NICOL & Co., Agents.

PENINSULAR AND ORIENTAL STEAM NAVIGATION COMPANY.

BOMBAY, 10*th September*, 1875.

J. GORDON, Esq., Secretary, Chamber of Commerce, Bombay.

DEAR SIR,—In reply to your letter of the 6th instant, I herewith enclose copy of the answer I have already sent to the Government of India on the same subject. I return the papers.—I am, &c.,

G. F. HENRY, Superintendent.

To A. O. HUME, Esq., C.B., Secretary to the Government of India.

SIR,—In reply to the request that the Government of India should have an expression of my opinion on the five points specified in your communication of 11th August 1875, respecting the establishment of lights at Cape Comorin and (or) Muttum Point, I beg most respectfully to submit my view of the case as follows, which I may add, has been arrived at after consultation with at least twelve commanders in this Company's service who have had considerable experience in navigating this coast :—

Question 1.—Are two first class lights really necessary for the southern extremity of the Peninsula?

Answer.—Not before the Paumben Pass is opened for the passage of large vessels.

Reasons.—That one first class light on Muttum (Cadiapatam) Point, with a lower red ray covering the Crocodile Rock and adjacent islets, will be sufficient for vessels from northward or westward to ports in Ceylon, or Gulf of Manaar, or intending to pass to the southward of the Island of Ceylon ; also for vessels proceeding to northward and westward from Ceylon or ports to the eastward of Ceylon. A light of the fourth class on Cape Comorin will be sufficient at present for vessels from Colombo or ports in the Gulf of Manaar, bound to the northward or westward. Two first class lights within 15 miles of each other are quite unnecessary, more especially as, should the Paumben Pass be opened, a first class light will be required on Point Manapand, 36 miles E.N.E. of Cape Comorin.

Question 2.—Would one first class and one third or fourth class light suffice?

Answer.—Yes.

Reasons.—As above.

Question 3.—Would a single first class light suffice?

Answer.—No.

Reasons.—It is certainly preferable to have a fourth class light on Cape Comorin, as a guide for vessels coming from, or bound to Ports in the Gulf of Manaar ; and should the Paumben Pass be opened, and a first class light be consequently placed on Point Manapand, an intermediate light of a lower order between Manapand and Muntum Point would be most useful.

Question 4.—The exact locality or localities where the light or lights should be placed.

Answer.—A fixed bright light of the first order on Muttum Point, with a red light at base, showing over an area of 60 degree.

A fourth class revolving light on Cape Comorin.

Reasons.—The Crocodile Rock is the prinripal danger to be guarded against. If it were possible to erect a lighthouse on the Crocodile Rock itself, it would be undoubtedly the best position, but from the evidence given in the Precis forwarded to me, as well as from the opinions expressed to me by engineers who have examined the place, I am reluctantly compelled to believe that (within reasonable bounds of expense) such a building is impossible.

I consider that no advantage proportionate to the additional

expense would be gained by placing a lighthouse on the Adundah or Kotah Islets.

I think the lighthouse may be easily, quickly, and economically built on the cliff at Muttum Point, and that with the red ray covering the outlying dangers it will fully attain the result required.

Though Cape Comorin is the Southern Point of the Peninsula, Muttum Point is the one to be rounded in going to, or coming from, Ports on the Malabar Coast, and the one from which the departure is taken.

Question 5.—The height of the light or lights above mean sea level necessary to fully secure the objects.

Answers.—On Muttum Point 150 feet, viz.:—80 feet height of cliff, 59 feet height of tower, 11 feet focal height above the building. The red light should be exhibited at the base of the tower (the lower the better with range unimpeded), as it is required to be seen five miles only. I think an arc of 60° will be sufficient, commencing (according to the position of the lighthouse) at nearly due west, showing just north of Adundah Islet and giving a wider margin south and east of the Crocodile Rock, it will also include the Kotah Islet.

The light on Cape Comorin should be 100 feet above mean sea level.

Reasons.—A height of 150 feet for Muttum light will give it a range of 18 miles, which I consider an ample distance.

I would say—let the tower be at least 59 or 60 feet high—to make it a conspicuous object by day, it should be painted white, or black and white horizontal bands, to render it easily discernible against the back-ground, and over the Red Cliffs about Muttum Point.

100 feet will make Comorin light visible 12 miles, and will also give a conspicuous tower as a day beacon.

In conclusion, I would strongly urge the necessity of a light on the Island of Minicoy. The light should be exhibited from a tower at least 80 or 100 feet in height, built of solid stone or iron plated, and not on piles or pillars; as a great object is to have a good beacon by day; I think black or dark red would be the best colour for this building.

Should the Paumben Pass be made navigable for large ships, a first class light would be required on Manapand Point. The lights at eastern entrance of Polk Straits would require careful consideration.

I can in no way admit that a light on Point Calimere would be in the best position, or that one light would suffice.—I have, &c.,

G. F. HENRY, Superintendent.

No. 1373 OF 1875.

MARINE DEPARTMENT,

BOMBAY CASTLE, *6th November*, 1875.

From the SECRETARY to GOVERNMENT to the SECRETARY to the CHAMBER of COMMERCE.

SIR,—Referring to your letter dated 2nd ultimo, I am directed to

forward herewith a copy of a Government Resolution No. 1373 of this date, regarding the construction of lighthouses at Cape Comorin and Muttum.—I have, &c.,

J. MACDONALD, Colonel,
Secretary to Government.

No. 1373.

MARINE DEPARTMENT,

BOMBAY CASTLE, *6th November*, 1875.

Letter from the Deputy Conservator and Master Attendant of the Port, No 2131, dated 22nd September 1875.

Letter from the Secretary to the Chamber of Commerce, dated 2nd October 1875.

Letter from the Superintendent of Marine, No. 579, dated 4th October 1875.

Replying to the letter from the Government of India, forwarded with Government Resolution No. 1008, dated 28th August 1875, regarding the construction of lighthouses at Cape Comorin and Muttum.

RESOLUTION.—Copies of the reports received to be sent to the Government of India, who should at the same time be informed that for the present two first class lights at the extremity of the Peninsula are, in the opinion of this Government, not absolutely necessary, but that they would advocate the construction of a first class light of the kind described in Lieutenant Morland's Report on Cape Muttum which guards the Crocodile Rock and adjacent dangers, and a third class light, as suggested by that officer, on Cape Comorin. The height of these lights should be 180 and 150 feet, respectively. If a light be considered needed on Minicoy Island, a first class revolving light, as suggested by Lieutenant Morland, would appear to be the most suitable.—I have, &c.,

J. MACDONALD, Colonel,
Secretary to Government.

APPENDIX Y.

———:o:———

CULTIVATION OF JUTE IN THE BOMBAY PRESIDENCY.

No. 368 OF 1875.

GENERAL DEPARTMENT,

BOMBAY CASTLE, *6th February*, 1875.

MEMORANDUM.—The undersigned presents compliments, and in forwarding copy of a letter from the Secretary and Curator Victoria and Albert Museum, No. 11, dated the 23rd ultimo, with the specimens of fibre therein referred to, request the Secretary to the Bombay Chamber of Commerce will be so good as to move the Chamber to favour Government with their report upon the fibres.

E. JAMES,
Acting Under-Secy. to Govt.

No. 11 OF 1875.

VICTORIA AND ALBERT MUSEUM, *23rd January*, 1875.

To the CHIEF SECRETARY to GOVERNMENT, General Department, Bombay.

SIR,—I have the honour to submit, for inspection of Government, two specimens of fibre both which will, I trust, be found worthy of further attention and experiment. The specimens are labelled with the Botanical names of the plants from which they are produced.

2. The wild *Corchorus olitorius*, or Jute plant, springs up everywhere in Bombay during the rainy season; it is much cultivated by the poorer classes as a pot herb, and when grown on good soil and in a sheltered situation will, if allowed, reach a height of seven or eight feet. The present specimen of Jute No. 1 was obtained from some plants which, sown for pot-herbs, had been neglected and allowed to grow to their full height. Experiments with Bengal Jute-seed were, I believe, tried at Poona two or three years ago, and were pronounced a failure. An inspection of the specimens herewith sent will, however, show conclusively that the indigenous Jute plant of Western India cannot only be successfully cultivated for fibre in Bombay and in the Konkan, but that this

will also compare favourably with the produce of the plant cultivated in Bengal, of which a specimen, that marked No. 2, is also sent.

3. Such being the case, there is little doubt that the Bengal plant can be grown here with equal success. There does not seem to be the smallest difference between the two plants. The fact that Jute can be grown in Bombay is, I submit, a most important discovery. There can be no reason, why the numerous spinning mills of Bombay should not in time obtain their bale-cloths from Jute grown and manufactured on the spot instead of, as at present, depending on Calcutta for their supply. Next monsoon I I hope to confirm my anticipations by conclusive experiments made with the indigenous, and also with the Bengal seed.

4. The specimen No. 3 is obtained from an annual plant of the natural order *Malvaceæ*-*Malachra Rotundifolia*. It is originally a native of Brazil, but now grows abundantly in waste places in Bombay during the rains. It attains a height of from five to six feet, but by a little care in its cultivation it can easily be made to grow to a much greater height, and the quality of its fibre would at the same time be improved. As will be seen from the sample forwarded, it is a fibre possessing valuable qualities for the manufacture of textile fabrics, and one which fully merits further development. I am not aware that it has ever before been noticed.

5. Duplicate specimens of both kinds of fibre have been prepared for deposit in the Museum.—I have, &c.,

W. GRAY, M.B.,
Secretary and Curator Victoria and Albert Museum.

(True Copy.)

E. JAMES,
Acting Under-Secretary to Government.

No. 59 of 1875.

CHAMBER of COMMERCE, BOMBAY, *5th March*, 1875.

The UNDER-SECRETARY to GOVERNMENT, General Department.

SIR,—I am directed by the Committee of the Chamber of Commerce to acknowledge the receipt of your memorandum No. 368, dated 6th February last, with the copy of a letter from the Secretary and Curator Victoria and Albert Museum, No. 11, dated 23rd January 1875, and the specimens of fibre therein referred to. The Comittee have the honour to report upon the specimens as follows:—

The specimen marked No. 1 resembles the Jute produced in Guzerat, where it is used for the manufacture of common twine and gunny cloth which are sometimes sent for sale to Bombay.

No. 2 appears to be Bengal Jute, but not of the best quality.

No. 3 is the best specimen of the three, and by improvements in its growth and preparation might, no doubt, be made suitable for textile fabrics.

All three specimens are short and brittle in the staple or grain, and could hardly be used without being mixed with better qualities of fibre.

The Committee would suggest that Dr. Gray be requested to send larger specimens of No. 1 and No. 3, upon receiving which the Chamber will be happy to forward them to London for report.

The Committee desire also to recommend Government to encourage the cultivation of Jute in every possible way, as there seems little doubt that the soil of the Bombay Presidency is suitable for it.—I have, &c.,

J. GORDON, Secretary.

No. 761.

GENERAL DEPARTMENT,

BOMBAY CASTLE, 12*th March*, 1875.

Letter from the Secretary and Curator, Victoria and Albert Museum, No. 11, dated 23rd January 1875,—Forwarding, for inspection, three specimens of fibre, with his remarks.

Letter from the Chamber of Commerce, dated 5th March 1875,—Reporting upon the specimens of fibre above referred to; suggesting that Dr. Gray be requested to send larger specimens of No. 1 and No. 3, on receipt of which they state they will be happy to forward them to London for report; and recommending that the cultivation of Jute in every possible way be encouraged, as there seems little doubt that the soil of this Presidency is suitable for it.

RESOLUTION.—A copy of this Report should be sent to Dr. Gray, with a request that he will, if possible, endeavour to procure larger samples of the fibre for the Chamber of Commerce, the cost of which will be paid for by Government. His Excellency in Council will also feel obliged by Dr. Gray putting himself in communication with Messrs. Woodrow, Stormont, Milne and Shearer, and explaining to them the plants from which the fibre is derived, with a view to experiments being made with its cultivation. Government would also be glad to hear the results of any experiments Dr. Gray himself may be able to undertake. If it be found that good Jute can be cultivated at a profit in this Presidency, the discovery will be an important one.

E. W. RAVENSCROFT,
Acting Chief Secretary to Government.

APPENDIX Z.

———:o:———

SUN-FLOWER OIL.

No. 2388 of 1874.

REVENUE DEPARTMENT,
BOMBAY CASTLE, 13*th May*, 1874.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—In forwarding the accompanying sample of sun-flower oil, received from Mr. Fretwell, Superintendent of the Model Farm at Bhadgam, in the Khandeish Collectorate, I am directed to communicate, for the information of the Chamber of Commerce, Bombay, the offer of that gentleman to prepare and ship a considerable quantity of the oil, and to request, therefore, that you will be good enough to favour Government with the opinion of the Chamber as to its mercantile value, and on the prospect of a demand for it arising and its becoming an article of export.—I have, &c.,

J. MONTEATH,
For Chief Secretary to Government.

No. 68 of 1874.

CHAMBER OF COMMERCE, BOMBAY, 28*th May*, 1874.

The CHIEF SECRETARY to GOVERNMENT, Bombay.

SIR,—I am desired by the Committee of the Chamber to acknowledge the receipt of your letter No 2388 of the 13th instant, together with the sample of sun-flower oil from Mr. Fretwell, Superintendent of the Model Farm at Bhadgam, who offers to prepare and ship a considerable quantity of it. The Committee would be glad to be informed what quantily of this oil Mr. Fretwell could get ready each year for export: and they desire to add that, if a larger sample than the one now received were sent down, they would be happy to forward it to England for the purpose of fairly testing the value of the oil, and ascertaining whether oil of this description would be readily saleable.—I have, &c.,

J. GORDON, Secretary.

No. 377-E.

BHADGAM, 26*th March*, 1875.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—I have the honour to intimate to you the despatch, by to-

day's train, a case containing one imperial gallon of sun-flower oil. This is in compliance with your letter dated 11th December 1874.—I have, &c.,

A. STORMONT, Superintendent.

Forwarded through the Collector of Khandeish for information with reference to his endorsement No. 5180 of 30th October 1874.

No. 1471.

Forwarded, enquiry has been again made as to the quantity of this oil which could be produced annually on the Model Farm, and the result will be communicated hereafter.

W. RAMSAY,
Acting Collector of Khandeish.

Camp Dahiwel, 2nd April, 1875.

CHAMBER of COMMERCE, BOMBAY, *20th April*, 1875.

Messrs. SMITH FLEMING & Co., Leadenhall Street, London.

DEAR SIRS,—I have the pleasure to advise you that, under instructions from the Committee of the Chamber, I have forwarded to your address, through your friends here, Messrs. W. Nicol and Co., a case containing a sample of sun-flower oil, received by the Bombay Government from the Superintendent of the Model Farm at Bhadgam, in the Kandeish Collectorate, and sent to the Chamber for an opinion as to its mercantile value in England, and on the prospect of a demand for it arising, and its becoming an article of export.

The Committee of the Chamber desire me to ask you if you will do them the favour to submit the sample to such persons as you consider best qualified to supply the information required, and to forward to the Chamber such reports as you may receive, in order that we may transmit them to the Government.—I have, &c.,

J. GORDON, Secretary.

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17 and 18, LEADENHALL STREET, LONDON, *23rd July*, 1875.

The SECRETARY, BOMBAY CHAMBER of COMMERCE, Bombay.

DEAR SIR,—Referring to our letter of 28th May, we now beg to hand you copy of our Brokers' report on the case of sun-flower oil, per "St. George," s.s., the valuation of which £28 per ton you must regard as to a certain extent nominal. It is some considerable time since this description of oil was imported, and it would require a trial shipment of about ten tons to determine its commercial value.—We are, &c.,

SMITH FLEMING & Co.

(Copy.)

LONDON, 20*th July*, 1875.

Messrs. SMITH FLEMING & Co., Leadenhall Street.

DEAR SIRS,—We have inspected the case of sun-flower oil, per "St. George," s.s., handed to us by you, and find the oil of good quality, sweet and pale in colour. There is, however, no market here for this oil, unless it could be sold to compete with such cheap seed oils, as linseed or cottonseed oil. When sun-flower oil was imported into London from Russia some eight or ten years ago, refined cottonseed oil was not known, but is now very largely used and sells at the present time about £26-10 per ton. On the same basis, sun-flower oil ought to realise about £28 per ton.—We are, &c.,

BOWIS GAME & Co.

No. 5486 OF 1875.

REVENUE DEPARTMENT,

BOMBAY CASTLE, 28*th September*, 1875.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—With reference to the correspondence ending with your letter of 4th instant, I am directed to state, for the information of the Chamber of Commerce, that the Acting Collector of Khandeish reports that the Superintendent of the Government Model Farm in that district raised this season about 1,000 lbs. weight of sun-flower seed, but with the ordinary oil presses available it took 100 lbs. seed to produce one gallon of it, and the cost of the process was Rs. 7-8, at which price the oil would be utterly unsaleable. It will thus be seen that the experiment has failed.—I have, &c.,

E. JAMES,
Acting Under-Secy. to Government.

APPENDIX AA.

—:o:—

REFUND OF MEASUREMENT FEES.

BOMBAY, 5TH *August*, 1875.

JOHN GORDON, Esq., Secretary Chamber of Commerce, Bombay.

SIR,—We beg that you will lay before the Committee at their next Meeting the following rules for confirmation :—

1.—That no refund of measurement fees be allowed for sums under rupee one.

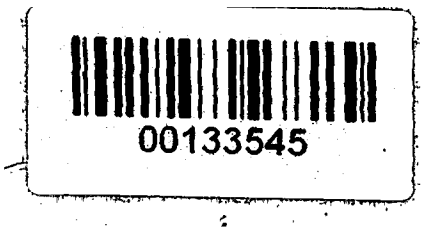
2.—That no claim for refund be allowed, unless presented within one month from date of vessel's departure.

In the Custom House the rule is not to allow refunds unless applied for within three days after the vessel's departure, and in giving, therefore, one month we feel we are acting liberally.

At the present time claims are being presented for sums of eight and ten annas for refunds on passes made in March and April last, and, in order to check their accuracy, search has to be made through the Custom House documents, causing trouble and loss of time to both our own and the Custom House clerks.

Should these rules be confirmed, please have them well advertised in the English and Native papers, at the expense of the Measurement Fund.—Yours faithfully,

R. E. BICKERDIKE.
JOHN Y. LANG.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